

© 2001 Caribbean Community (CARICOM) Secretariat  
**REVISED TREATY OF CHAGUARAMAS ESTABLISHING THE CARIBBEAN  
COMMUNITY INCLUDING THE CARICOM SINGLE MARKET AND ECONOMY**

**PREAMBLE**

*The States Parties to the Treaty Establishing the Caribbean Community and Common Market signed at Chaguaramas on 4 July 1973,*

**Recalling** *the Declaration of Grand Anse and other decisions of the Conference of Heads of Government, in particular the commitment to deepening regional economic integration through the establishment of the CARICOM Single Market and Economy (CSME) in order to achieve sustained economic development based on international competitiveness, co-ordinated economic and foreign policies, functional co-operation and enhanced trade and economic relations with third States;*

**Recognising** *that globalisation and liberalisation have important implications for international competitiveness;*

**Determined** *to enhance the effectiveness of the decision-making and implementation processes of the Community;*

**Desirous** *of restructuring the Organs and Institutions of the Caribbean Community and Common Market and redefining their functional relationships so as to enhance the participation of their peoples, and in particular the social partners, in the integration movement;*

**Conscious** *of the need to promote in the Community the highest level of efficiency in the production of goods and services especially with a view to maximising foreign exchange earnings on the basis of international competitiveness, attaining food security, achieving structural diversification and improving the standard of living of their peoples;*

**Aware** *that optimal production by economic enterprises in the Community requires the structured integration of production in the Region, and particularly, the unrestricted movement of capital, labour and technology;*

**Resolved** *to establish conditions which would facilitate access by their nationals to the collective resources of the Region on a non-discriminatory basis;*

**Convinced** *that market-driven industrial development in the production of goods and services is essential for the economic and social development of the peoples of the Community;*

**Cognisant** *that a fully integrated and liberalised internal market will create favourable conditions for sustained, market-led production of goods and services on an internationally competitive basis;*

**Desirous further** *of establishing and maintaining a sound and stable macro-economic environment that is conducive to investment, including cross-border investments, and the competitive production of goods and services in the Community;*

**Believing** *that differences in resource endowment and in the levels of economic development of Member States, may affect the implementation of the Community Industrial Policy;*

**Recognising also** *the potential of micro, small, and medium enterprise development to contribute to the expansion and viability of national economies of the Community and the importance of large enterprises for achieving economies of scale in the production process;*

**Mindful** that co-operation and joint action in developing trade relations with third States and in establishing appropriate regulatory and administrative procedures and services are essential for the development of the international and intraregional trade of Member States;

**Determined further** to effect a fundamental transformation of the agricultural sector of the Community by diversifying agricultural production, intensifying agro-industrial development, expanding agri-business, strengthening the linkages between the agricultural sector and other sectors of the CSME and generally conducting agricultural production on a market-oriented, internationally competitive and environmentally sound basis;

**Acknowledging** the vital importance of land, air and maritime transportation for maintaining economic, social and cultural linkages as well as facilitating emergency assistance among the Member States of the Community;

**Recognising further** the importance of the establishment and structured development of transport links with third States for the accelerated and sustained development of the CSME;

**Conscious also** of the importance of promoting adequate air and maritime transport services for the continued viability of the tourism industry and of reducing the vulnerability of the CARICOM Region resulting from its reliance on extra-regional carriers;

**Convinced also** that a viable transport policy for the Community will make a significant contribution in satisfying the demands for the intra-regional movement of people and products in the CSME;

**Acknowledging further** that some Member States, particularly the Less Developed Countries, are entering the CSME at a disadvantage by reason of the size, structure and vulnerability of their economies; and

**Believing further** that the persistence of disadvantage, however arising, may impact adversely on the economic and social cohesion in the Community;

**Conscious further** that disadvantaged countries, regions and sectors will require a transitional period to facilitate adjustment to competition in the CSME;

**Committed** to establish effective measures, programmes and mechanisms to assist disadvantaged countries, regions and sectors of the Community;

**Mindful further** that the benefits expected from the establishment of the CSME are not frustrated by anti-competitive business conduct whose object or effect is to prevent, restrict, or distort competition;

**Convinced further** that the application and convergence of national competition policies and the cooperation of competition authorities in the Community will promote the objectives of the CSME;

**Affirming** that the employment of internationally accepted modes of disputes settlement in the Community will facilitate achievement of the objectives of the Treaty;

**Considering** that an efficient, transparent, and authoritative system of disputes settlement in the Community will enhance the economic, social and other forms of activity in the CSME leading to confidence in the investment climate and further economic growth and development in the CSME;

**Affirming also** that the original jurisdiction of the Caribbean Court of Justice is essential for the successful operation of the CSME;

**Recalling further** the Charter of Civil Society adopted by the Conference of Heads of Government on 19 February 1997 reaffirming the human rights of their peoples,

**Have agreed** as follows:

**ARTICLE 1**  
**Use of Terms**

*In this Treaty, unless the context otherwise requires:*

**“Agreement”** means the Agreement Establishing the Caribbean Court of Justice;

**“anti-competitive business conduct”** has the meaning assigned to it in Article 173;

**“Budget Committee”** means the Body of the Community established by paragraph 1 of Article 18;

**“business”** means any activity carried on for gain or reward or in the course of which goods or services are produced, manufactured or supplied as the case may be;

**“Commission”** means the Competition Commission established by Article 167;

**“Committee of Central Bank Governors”** means the Body of the Community referred to in paragraph 2 of Article 18;

**“Community”** means the Caribbean Community established by Article 2 and includes the CSME established by the provisions of this Treaty;

**“Community Council of Ministers” or “the Community Council”** means the Organ of the Community so named in paragraph 1(b) of Article 10;

**“Community origin”** means origin which complies with the Rules of Origin set out in Article 78;

**“Community treatment”** means the access accorded to goods which are of Community origin to the markets of Member States without the application of import duties or quantitative restrictions;

**“competent authority”** means the authority legally authorised to perform a function and for the purpose of Chapter Five means the Minister of Government so designated by a Member State;

**“Conference of Heads of Government” or “the Conference”** means the Organ so named in paragraph 1(a) of Article 10;

**“Contracting Party”** means a party to the Agreement;

**“Council for Human and Social Development” or “COHSOD”** means the Organ of the Community so named in paragraph 2 of Article 10;

**“Council for Finance and Planning” or “COFAP”** means the Organ of the Community so named in paragraph 2(a) of Article 10;

**“Council for Foreign and Community Relations” or “COFCOR”** means the Organ

so named in paragraph 2(c) of Article 10;

**"Council for Trade and Economic Development" or "COTED"** means the Organ of the Community so named in paragraph 2(b) of Article 10;

**"Court"** means the Caribbean Court of Justice established by the Agreement;

**"the CSME"** means the regime established by the provisions of this Treaty replacing Chapters Three through Seven of the Annex to the Treaty Establishing the Caribbean Community and Common Market signed at Chaguaramas on 4 July 1973;

**"disadvantaged countries"** means:

- (a) the Less Developed Countries within the meaning of Article 4; or
- (b) Member States that may require special support measures of a transitional or temporary nature by reason of:
  - (i) impairment of resources resulting from natural disasters; or
  - (ii) the adverse impact of the operation of the CSME on their economies; or
  - (iii) temporary low levels of economic development; or
  - (iv) being a Highly-Indebted Poor Country designated as such by the competent inter-governmental organisation;

**"disadvantaged regions"** means:

- (a) regions within Member States experiencing economic dislocation from the operation of the CSME; or
- (b) regions that may require special support measures of a transitional or temporary nature by reason of:
  - (i) impairment of resources resulting from natural disasters; or
  - (ii) temporary low levels of economic development;

**"disadvantaged sectors"** means:

- (a) sectors of the economies of Member States in which economic enterprises experience dislocation from the operation of the CSME; or
- (b) sectors that may require special support measures of a transitional or temporary nature by reason of natural disasters, whereby the loss in the sector causes social and economic disorder;

**"dispute"** means a dispute within the meaning of Article 183;

**"economic enterprises"** means economic enterprises within the meaning of paragraph 5(b) of Article 32;

**"enterprise"** means any person or type of organisation, other than a non-profit

organisation, involved in the production of or the trade in goods, or the provision of services;

**“goods”** means all kinds of property other than real property, money, securities or choses in action;

**“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 those notified under Article 85 and other charges which fall within that Article;

**“Legal Affairs Committee”** means the Body established by paragraph 1 of Article 18;

**“Member State”** means a Member State of the Community excluding an Associate Member within the meaning of Article 231;

**“Ministerial Councils”** means COFAP, COFCOR, COHSOD and COTED;

**“national”** means a national within the meaning of paragraph 5(a) of Article 32;

**“President”** means the President of the Court;

**“recommended practice”** means any specification for physical characteristics, configuration, material, performance, personnel or procedure, the uniform application of which is regionally or generally recognised in the international community as desirable for the efficient delivery of transport services;

**“rules of competition”** includes the rules set out in sub-paragraph (a)(i) of paragraph 1 of Article 166 and Articles 176, 177, 178 and 179;

**“Secretariat”** means the Secretariat of the Community referred to in Article 23;

**“Secretary-General”** means the Secretary-General of the Community;

**“services”** means services provided against remuneration other than wages in an approved sector and **“the provision of services”** means the supply of services:

- (a) from the territory of one Member State into the territory of another Member State;
- (b) in the territory of one Member State to a service consumer of another Member State;
- (c) by a service supplier of one Member State through commercial presence in the territory of another Member State; and
- (d) by a service supplier of one Member State through the presence of natural persons of a Member State in the territory of another Member State;

**“standard”** means any specification for physical characteristics, configuration, material, performance, personnel or procedure, the uniform application of which is regionally or generally recognised in the international community as necessary for the efficient delivery of transport services;

**“subsidies”** includes the subsidies set out in Schedule V and shall apply only in relation to goods;

**“trade”** includes any business, industry, profession or occupation relating to the supply or acquisition of goods or services;

**“WTO Agreement”** means the Agreement establishing the World Trade Organisation done at Marrakesh on 15 April 1994.

## **CHAPTER ONE PRINCIPLES**

### **ARTICLE 2 Establishment of the Community**

The Community is hereby established and recognised in the Protocol hereto as successor to the Caribbean Community and Common Market.

### **ARTICLE 3 Membership**

1. Members of the Community consist of:

- (a) Antigua and Barbuda
- (b) The Bahamas
- (c) Barbados
- (d) Belize
- (e) Dominica
- (f) Grenada
- (g) Guyana
- (h) Jamaica
- (i) Montserrat
- (j) St. Kitts and Nevis
- (k) Saint Lucia
- (l) St. Vincent and the Grenadines
- (m) Suriname
- (n) Trinidad and Tobago.

2. Membership of the Community shall be open to any other State or Territory of the Caribbean Region that is, in the opinion of the Conference, able and willing to exercise the rights and assume the obligations of membership.

### **ARTICLE 4 Less Developed Countries and More Developed Countries**

For the purpose of this Treaty the States specified in sub-paragraphs 1(b), (c), (g), (h), (m) and (n) of Article 3 shall be more developed countries and the remainder listed in the said paragraph shall be less developed countries.

### **ARTICLE 5**

### **Modification of the Status of Member States**

*Notwithstanding the provisions of Article 4 and paragraph 1 of Article 28, the Conference may, by majority decision, modify the status of a Member State.*

### **ARTICLE 6 Objectives of the Community**

*The Community shall have the following objectives:*

- (a) improved standards of living and work;*
- (b) full employment of labour and other factors of production;*
- (c) accelerated, co-ordinated and sustained economic development and convergence;*
- (d) expansion of trade and economic relations with third States;*
- (e) enhanced levels of international competitiveness;*
- (f) organisation for increased production and productivity;*
- (g) the achievement of a greater measure of economic leverage and effectiveness of Member States in dealing with third States, groups of States and entities of any description;*
- (h) enhanced co-ordination of Member States' foreign and [foreign] economic policies; and*
- (i) enhanced functional co-operation, including -*
  - (i) more efficient operation of common services and activities for the benefit of its peoples;*
  - (ii) accelerated promotion of greater understanding among its peoples and the advancement of their social, cultural and technological development;*
  - (iii) intensified activities in areas such as health, education, transportation, telecommunications.*

### **ARTICLE 7 Non-Discrimination**

1. *Within the scope of application of this Treaty and without prejudice to any special provisions contained therein, any discrimination on grounds of nationality only shall be prohibited.*

2. *The Community Council shall, after consultation with the competent Organs, establish rules to prohibit any such discrimination.*

### **ARTICLE 8 Most Favoured Nation Treatment**

*Subject to the provisions of this Treaty, each Member State shall, with respect to any rights covered by this Treaty, accord to another Member State treatment no less favourable than that accorded to:*

- (a) a third Member State; or*
- (b) third States.*

## **ARTICLE 9**

### **General Undertaking on 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 and Bodies 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.*

## **CHAPTER TWO**

### **INSTITUTIONAL ARRANGEMENTS**

## **ARTICLE 10**

### **Organs of the Community**

1. *The principal Organs of the Community are:*
  - (a) the Conference of Heads of Government; and*
  - (b) the Community Council of Ministers which shall be the second highest organ.*
2. *In the performance of their functions, the principal Organs shall be assisted by the following Organs:*
  - (a) the Council for Finance and Planning;*
  - (b) the Council for Trade and Economic Development;*
  - (c) the Council for Foreign and Community Relations, and*
  - (d) the Council for Human and Social Development.*

## **ARTICLE 11**

### **Composition of the Conference**

1. *The Conference of Heads of Government shall consist of the Heads of Government of the Member States.*
2. *Any Head of Government may designate a Minister or other person to represent him or her at any Meeting of the Conference.*

## **ARTICLE 12**

### **Functions and Powers of the Conference**

1. *The Conference shall be the supreme Organ of the Community.*
2. *The Conference shall determine and provide policy direction for the Community.*
3. *Save as otherwise provided in 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.*

4. *The Conference may take decisions for the purpose of establishing the financial arrangements necessary to defray the expenses of the Community and shall be the final authority on questions arising in relation to the financial affairs of the Community.*

5. *Subject to the relevant provisions of this Treaty, the Conference shall exercise such powers as may be conferred on it by or under any instrument elaborated by or under the auspices of the Community.*

6. *The Conference may establish such Organs or Bodies as it considers necessary for the achievement of the objectives of the Community.*

7. *The Conference may issue policy directives of a general or special character to other Organs and Bodies of the Community concerning the policies to be pursued for the achievement of the objectives of the Community and effect shall be given to such directives.*

8. *Notwithstanding any other provision of this Treaty, the Conference may consider and resolve disputes between Member States.*

9. *The Conference may consult with entities within the Caribbean Region or with other organisations and for this purpose may establish such machinery as it considers necessary.*

10. *Subject to the provisions of this Chapter, the Conference shall regulate its own procedure and may decide to admit at its deliberations as observers representatives of non-Member States of the Community and other entities.*

11. *The Bureau, consisting of the current Chairman and the immediately outgoing and incoming Chairmen of the Conference, shall perform the following functions:*

- (a) initiating proposals for development and approval by the Ministerial Councils as it considers necessary;*
- (b) updating the consensus of the Member States on issues falling to be determined by the Conference;*
- (c) facilitating implementation of Community decisions, both at the regional and local levels, in an expeditious and informed manner;*
- (d) providing guidance to the Secretariat on policy issues.*

### **ARTICLE 13**

#### ***The Community Council of Ministers***

1. *The Community Council shall consist of Ministers responsible for Community Affairs and any other Minister designated by the Member States in their absolute discretion.*

2. *The Community Council shall, in accordance with the policy directions established by the Conference, have primary responsibility for the development of Community strategic planning and co-ordination in the areas of economic integration, functional co-operation and external relations.*

3. *In pursuance of paragraph 2, the Community Council shall:*

- (a) approve the programmes of the Community on the basis, inter alia, of*

*proposals emanating from other Community Organs;*

- (b) subject to paragraph 5 of Article 20, amend proposals developed by the Ministerial Councils or request them to develop proposals for the achievement of Community objectives,*

*and have responsibility for promoting and monitoring the implementation of Community decisions in the Member States.*

*4. Without prejudice to the generality of the foregoing provisions, the Community Council shall:*

- (a) subject to paragraph 4 of Article 12, examine and approve the Community budget;*
- (b) mobilise and allocate resources for the implementation of Community plans and programmes;*
- (c) establish, subject to the provisions of Article 26, a system of regional and national consultations in order to enhance the decision-making and implementation processes of the Community;*
- (d) promote, enhance, monitor and evaluate regional and national implementation processes and, to this end, establish a regional technical assistance service;*
- (e) function as a preparatory body for meetings of the Conference;*
- (f) ensure the efficient operation and orderly development of the CSME, particularly by seeking to resolve problems arising out of its functioning, taking into account the work and decisions of COTED;*
- (g) receive and consider allegations of breaches of obligations arising under this Treaty, including disputes between Organs of the Community;*
- (h) on the instructions of the Conference, issue directives to Organs and to the Secretariat aimed at ensuring the timely implementation of Community decisions;*
- (i) undertake any additional functions remitted to it by the Conference, arising under this Treaty.*

#### **ARTICLE 14**

##### ***The Council for Finance and Planning***

*1. The Council for Finance and Planning shall consist of Ministers designated by the Member States. Each Member State shall be entitled to designate alternates to represent it on COFAP.*

*2. Subject to the relevant provisions of Article 12, COFAP shall have primary responsibility for economic policy co-ordination and financial and monetary integration of Member*

*States and, without prejudice to the generality of the foregoing, shall:*

- (a) establish and promote measures for the co-ordination and convergence of national macro-economic policies of the Member States and for the execution of a harmonised policy on foreign investment;*
- (b) promote and facilitate the adoption of measures for fiscal and monetary co-operation among the Member States, including the establishment of mechanisms for payment arrangements;*
- (c) recommend measures to achieve and maintain fiscal discipline by the Governments of the Member States;*
- (d) pending the establishment of a monetary union in the Community, recommend arrangements for the free convertibility of the currencies of the Member States on a reciprocal basis;*
- (e) promote the establishment and integration of capital markets in the Community, and*
- (f) undertake any additional functions remitted to it by the Conference arising under this Treaty.*

*3. Under the direction of COFAP, the Committee of Central Bank Governors shall assist in the performance of the functions mentioned in paragraph 2 of this Article.*

#### **ARTICLE 15** **The Council for Trade and** **Economic Development**

*1. The Council for Trade and Economic Development shall consist of Ministers designated by the Member States. Each Member State shall be entitled to designate alternates to represent it on COTED.*

*2. Subject to the provisions of Article 12, COTED shall be responsible for the promotion of trade and economic development of the Community. In particular, COTED shall:*

- (a) promote the development and oversee the operation of the CSME;*
- (b) evaluate, promote and establish measures to enhance production, quality control and marketing of industrial and agricultural commodities so as to ensure their international competitiveness;*
- (c) establish and promote measures to accelerate structural diversification of industrial and agricultural production on a sustainable and regionally-integrated basis;*
- (d) determine and promote measures for the accelerated development and marketing of services;*
- (e) promote and develop policies and programmes to facilitate the transportation of people and goods;*
- (f) promote measures for the development of energy and natural resources on*

*a sustainable basis;*

- (g) establish and promote measures for the accelerated development of science and technology;*
- (h) promote and develop policies for the protection of and preservation of the environment and for sustainable development;*
- (i) promote and develop, in collaboration with the Council for Foreign and Community Relations, co-ordinated policies for the enhancement of external economic and trade relations of the Community, and*
- (j) undertake any additional functions remitted to it by the Conference, arising under this Treaty.*

#### **ARTICLE 16**

##### ***The Council for Foreign and Community Relations***

1. *The Council for Foreign and Community Relations shall consist of Ministers Responsible for the Foreign Affairs of Member States. Each Member State shall be entitled to designate an alternate to represent it on COFCOR.*

2. *Subject to the provisions of Article 12, COFCOR shall be responsible for determining relations between the Community and international organisations and Third States.*

3. *Without prejudice to the generality of paragraph 2, COFCOR shall:*

- (a) promote the development of friendly and mutually beneficial relations among the Member States;*
- (b) establish measures to co-ordinate the foreign policies of the Member States of the Community, including proposals for joint representation, and seek to ensure, as far as practicable, the adoption of Community positions on major hemispheric and international issues;*
- (c) co-ordinate the positions of the Member States in inter-governmental organisations in whose activities such States participate;*
- (d) collaborate with COTED in promoting and developing co-ordinated policies for the enhancement of external economic and trade relations of the Community;*
- (e) co-ordinate, in close consultation with the Member States, Community policy on international issues with the policies of States in the wider Caribbean Region in order to arrive at common positions in relation to Third States, groups of States and relevant inter-governmental organisations, and*
- (f) undertake any additional functions remitted to it by the Conference, arising under this Treaty.*

4. *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 COFCOR.*

#### **ARTICLE 17**

##### ***The Council for Human and Social Development***

1. *The Council for Human and Social Development shall consist of Ministers designated by the Member States. Each Member State shall be entitled to designate alternates to represent it on COHSOD.*

2. *Subject to the provisions of Article 12, COHSOD shall be responsible for the promotion of human and social development in the Community. In particular, COHSOD shall:*

- (a) promote the improvement of health, including the development and organisation of efficient and affordable health services in the Community;*
- (b) promote the development of education through the efficient organisation of educational and training facilities in the Community, including elementary and advanced vocational training and technical facilities;*
- (c) promote and develop co-ordinated policies and programmes to improve the living and working conditions of workers and take appropriate measures to facilitate the organisation and development of harmonious labour and industrial relations in the Community;*
- (d) establish policies and programmes to promote the development of youth and women in the Community with a view to encouraging and enhancing their participation in social, cultural, political and economic activities;*
- (e) promote and establish programmes for the development of culture and sports in the Community;*
- (f) promote the development of special focus programmes supportive of the establishment and maintenance of a healthy human environment in the Community, and*
- (g) undertake any additional functions remitted to it by the Conference, arising under this Treaty.*

3. *Without prejudice to the requirements of any other provision of this Treaty, COHSOD shall promote co-operation among the Member States in the areas set out in the schedule hereto in furtherance of the objectives set out in Article 5.*

#### **ARTICLE 18** **Bodies of the Community**

1. *There are hereby established as Bodies of the Community:*

- (a) the Legal Affairs Committee; and*
- (b) the Budget Committee.*

2. *The Council of Central Bank Governors shall be redesignated the "Committee of Central Bank Governors" and recognised as a Body of the Community.*

3. *The Organs of the Community may establish, as they deem necessary, other Bodies of the Community.*

#### **ARTICLE 19** **Composition and Functions of**

### **Bodies of the Community**

1. The Legal Affairs Committee shall consist of the Ministers responsible for Legal Affairs or Attorneys-General of the Member States, or both, and shall be responsible for providing the Organs and Bodies, either on request or on its own initiative, with advice on treaties, international legal issues, the harmonisation of laws of the Community and other legal matters.

2. The Budget Committee shall consist of senior officials of the Member States who shall perform their functions in a professional capacity . It shall examine the draft budget and work programme of the Community prepared by the Secretariat and submit recommendations to the Community Council.

3. The Committee of Central Bank Governors shall consist of the Governors or Heads of the Central Banks of the Member States or their nominees. The Committee shall make recommendations to COFAP on matters relating to monetary co-operation, payments arrangements, free movement of capital, integration of capital markets, monetary union and any other related matters referred to it by the Organs of the Community.

4. The procedures of Bodies shall be regulated, mutatis mutandis, by the relevant provisions of Articles 27 and 29.

### **ARTICLE 20** **Co-operation by Community Organs**

1. Community Organs shall co-operate with each other for the achievement of Community objectives.

2. The Bureau and the Community Council may initiate proposals for development by the Ministerial Councils within their respective areas of competence.

3. Where a Community Organ proposes to develop a proposal which is likely to impact importantly on activities within the sphere of competence of another Community Organ, the first-mentioned Community Organ shall transmit such proposal to other interested Community Organs for their consideration and reaction before reaching a final decision on the proposal.

4. Proposals approved by the Ministerial Councils shall be transmitted to the Community Council for prioritisation and resource allocation for their implementation.

5. Proposals approved by the Ministerial Councils and transmitted to the Community Council for prioritisation and resource allocation for implementation may be returned by the Community Council to the originating Organ for modification. The Community Council may modify the proposal to the extent and in the manner agreed with the originating Organ.

6. The Secretariat shall monitor the development and implementation of proposals for the achievement of Community objectives and keep the Community Council informed accordingly.

### **ARTICLE 21** **Institutions of the Community**

The following entities established by or under the auspices of the Community shall be recognised as Institutions of the Community:

- *Caribbean Disaster Emergency Response Agency (CDERA);*
- *Caribbean Meteorological Institute (CMI);*
- *Caribbean Meteorological Organisation (CMO);*
- *Caribbean Environmental Health Institute (CEHI);*
- *Caribbean Agricultural Research and Development Institute (CARDI);*
- *Caribbean Regional Centre for the Education and Training of Animal Health and Veterinary Public Health Assistants (REPAHA);*
- *Assembly of Caribbean Community Parliamentarians (ACCP);*
- *Caribbean Centre For Developmental Administration (CARICAD);*
- *Caribbean Food and Nutrition Institute (CFNI),*

*and such other entities as may be designated by the Conference.*

## **ARTICLE 22** **Associate Institutions of the Community**

*The following entities with which the Community enjoys important functional relationships which contribute to the achievement of the objectives of the Community shall be recognised as Associate Institutions of the Community:*

- *Caribbean Development Bank (CDB);*
- *University of Guyana (UG);*
- *University of the West Indies (UWI);*
- *Caribbean Law Institute / Caribbean Law Institute Centre (CLI/CLIC);*
- *the Secretariat of the Organisation of Eastern Caribbean States;*

*and such other entities as may be designated by the Conference.*

## **ARTICLE 23** **The Secretariat**

1. *The Secretariat shall be the principal administrative organ of the Community. The headquarters of the Community shall be located in Georgetown, Guyana.*

2. *The Secretariat shall comprise a Secretary-General and such other staff as the Community may require. In the recruitment of such staff, consideration shall be given to securing the highest standards of efficiency, competence and integrity, bearing in mind the principle of equitable geographical distribution.*

3. *The Secretary-General shall, in addition to the powers conferred by or under the Treaty, be the Chief Executive Officer of the Community and shall act in that capacity at all meetings of Community Organs and Bodies. He 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 staff shall neither seek nor receive instructions from any Government of the Member States or from any other authority external to the Community. They shall refrain from any action which might reflect adversely on their position as officials of the Community and shall be responsible only to the Community.*

5. *Member States undertake to respect the exclusively international character of the responsibilities of the Secretary-General and staff and shall not seek to influence them in the discharge of their responsibilities.*

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

7. *The Community Council shall approve the financial regulations governing the operations of the Secretariat.*

8. *The Secretary-General shall establish Staff Rules for the operation of the Secretariat.*

#### **ARTICLE 24** **The Secretary-General**

1. *The Secretary-General shall be appointed by the Conference, on the recommendation of the Community Council, for a term not exceeding five years and may be reappointed by the Conference.*

2. *The Secretary-General shall be the Chief Executive Officer of the Community and shall, subject to the determinations of competent Organs of the Community and in accordance with the financial and other regulations, perform the following functions:*

- (a) represent the Community;*
- (b) develop, as mandated, decisions of competent Organs of the Community into implementable proposals;*
- (c) identify and mobilise, as required, external resources to implement decisions at the regional level and undertake studies and develop decisions on relevant issues into implementable proposals;*
- (d) implement, as mandated, decisions at the regional level for the achievement of Community objectives;*
- (e) implement, with the consent of the Member State concerned, Community decisions which do not require legislative or administrative action by national authorities;*
- (f) monitor and report on, as mandated, implementation of Community decisions;*
- (g) initiate or develop proposals for consideration and decision by competent Organs in order to achieve Community objectives, and*
- (h) such other functions assigned by the Conference or other competent Organs.*

#### **ARTICLE 25** **Functions of the Secretariat**

*In addition to any functions which may be assigned to it by Organs of the Community, the Secretariat shall:*

- (a) service meetings of the Organs and Bodies of the Community and take appropriate follow up action on determinations issuing from such meetings;*
- (b) initiate, organise and conduct studies on issues for the achievement of the objectives of the Community;*
- (c) provide, on request, services to the Member States of the Community on matters relating to the achievement of its objectives;*
- (d) collect, store and disseminate to the Member States of the Community information relevant for the achievement of its objectives;*
- (e) assist Community Organs in the development and implementation of proposals and programmes for the achievement of objectives of the Community;*
- (f) co-ordinate in relation to the Community the activities of donor agencies, international, regional and national institutions for the achievement of objectives of the Community;*
- (g) prepare the draft budget of the Community for examination by the Budget Committee;*
- (h) provide, on request, technical assistance to national authorities to facilitate implementation of Community decisions;*
- (i) conduct, as mandated, fact-finding assignments in the Member States, and*
- (j) initiate or develop proposals for consideration and decision by competent Organs in order to achieve Community objectives.*

## **ARTICLE 26**

### **The Consultative Process**

1. *In order to enhance the decision-making process in the Community, the Community Council, assisted by the Secretary-General, shall, in collaboration with competent authorities of the Member States, establish and maintain an efficient system of consultations at the national and regional levels.*

2. *The system of consultations shall be structured to ensure that determinations of Community Organs and the Legal Affairs Committee are adequately informed by relevant information inputs and are reinforced by consultations undertaken at successively lower levels of the decision-making process.*

## **ARTICLE 27**

### **Common Voting Procedures in Community Organs and Bodies**

1. *Subject to paragraph 2 of this Article, each Member State represented on Community Organs and Bodies shall have one vote. A simple majority of Member States shall constitute a*

quorum.

2. *Member States, whose contributions to the regular budget of the Community are in arrears for more than two years, shall not have the right to vote except on matters relating to the CSME, but may otherwise participate in the deliberations of Community Organs and Bodies. The Conference may, nevertheless, permit such Member States to vote if it is satisfied that the failure to contribute is due to conditions beyond their control.*

3. *Decisions on procedural issues in Community Organs shall be reached by a simple majority of Member States.*

4. *Subject to the agreement of the Conference, a Member State may opt out of obligations arising from the decisions of competent Organs provided that the fundamental objectives of the Community, as laid down in the Treaty, are not prejudiced thereby.*

5. *Prior to taking decisions on any issue falling to be determined by Community Organs, the Secretariat shall bring to the attention of the meeting the financial implications of such decisions and any other matters which may be relevant.*

6. *Recommendations of Community Organs shall be made by a two-thirds majority of Member States and shall not be legally binding. Member States omitting to comply with recommendations shall inform the Secretariat in writing within six months stating the reasons for their non-compliance.*

7. *Subject to the relevant provisions of this Treaty, Community Organs and Bodies shall establish their rules of procedure.*

#### **ARTICLE 28** **Voting in the Conference**

1. *Save as otherwise provided in this Treaty and subject to paragraph 2 of this Article and the relevant provisions of Article 27, the Conference shall take decisions by an affirmative vote of all its members and such decisions shall be binding.*

2. *For the purpose of this Article abstentions shall not be construed as impairing the validity of decisions of the Conference provided that the Member States constituting three-quarters of the membership of the Community, vote in favour of such decisions.*

3. *Omission by a Member State to participate in the vote shall be deemed an abstention within the meaning of paragraph 2 of this Article.*

4. *Parties to a dispute or against which sanctions are being considered shall not have the right to vote on the issue falling to be determined.*

#### **ARTICLE 29** **Voting in the Community Council and Ministerial Councils**

1. *Save as otherwise provided in this Treaty and subject to the provisions of this Article and Article 27, the Ministerial Councils shall take decisions by a qualified majority vote and such decisions shall be binding.*

2. *For the purposes of paragraph 1 of this Article a qualified majority vote means an affirmative vote of the Member States comprising no less than three-quarters of the membership of the Community.*

3. *Where issues have been determined to be of critical importance to the national well-being of a Member State, in accordance with paragraph 4 of this Article, such decisions shall be reached by an affirmative vote of all Member States.*

4. *Decisions that an issue is of critical importance to the national well-being of a Member State shall be reached by a two-thirds majority of the Member States.*

5. *For the purposes of paragraph 3 of this Article abstentions shall not be construed as impairing the validity of decisions required to be reached by unanimity provided that Member States constituting not less than three-quarters of the membership of the Community vote in favour of such decisions.*

### **CHAPTER THREE ESTABLISHMENT, SERVICES, CAPITAL AND MOVEMENT OF COMMUNITY NATIONALS**

#### **ARTICLE 30 Scope of Application**

1. *Save as otherwise provided in this Article and Article 31, the provisions of this Chapter shall apply to the right of establishment, the right to provide services and the right to move capital in the Community.*

2. *Activities in a Member State involving the exercise of governmental authority shall, in so far as that Member State is concerned, be excluded from the operation of this Chapter.*

3. *For the purposes of this Chapter, "activities involving the exercise of governmental authority" means activities conducted neither on a commercial basis nor in competition with one or more economic enterprises, and includes:*

- (a) activities conducted by a central bank or monetary authority or any other public entity, in pursuit of monetary or exchange rate policies;*
- (b) activities forming part of a statutory system of social security or public retirement plans;*
- (c) activities forming part of a system of national security or for the establishment or maintenance of public order; and*
- (d) other activities conducted by a public entity for the account of or with the guarantee or using financial resources of the government.*

#### **ARTICLE 31 Treatment of Monopolies**

1. *The Member States may determine that the public interest requires the exclusion or restriction of the right of establishment in any industry or in a particular sector of an industry.*

2. *Where such a determination has been made:*

- (a) *if the determination results in the continuation or establishment of a government monopoly, the Member State shall adopt appropriate measures to ensure that the monopoly does not discriminate between nationals of Member States, save as otherwise provided in this Treaty, and is subject to the agreed rules of competition established for Community economic enterprises;*
- (b) *if the determination results in the continuation or establishment of a private sector monopoly, the Member State shall, subject to the provisions of this Treaty, adopt appropriate measures to ensure that national treatment is accorded to nationals of other Member States in terms of participating in its operations.*

## **ARTICLE 32**

### ***Prohibition of New Restrictions on the Right of Establishment***

1. *The Member States shall not introduce in their territories any new restrictions relating to the right of establishment of nationals of other Member States save as otherwise provided in this Treaty.*

2. *The Member States shall notify COTED of existing restrictions on the right of establishment in respect of nationals of other Member States.*

- 3. (1) *The right of establishment within the meaning of this Chapter shall include the right to:*
  - (a) *engage in any non-wage-earning activities of a commercial, industrial, agricultural, professional or artisanal nature;*
  - (b) *create and manage economic enterprises referred to in paragraph 5(b) of this Article.*
- (2) *For the purposes of this Chapter "non-wage earning activities" means activities undertaken by self-employed persons.*

4. *The Community Council may, with the approval of the Conference and upon the recommendation of COTED or COFAP, as the case may be, enlarge the body of rights provided in paragraph 3 of this Article. The competent Organ shall establish basic criteria for Member States in order to safeguard against manipulation or abuse of such rights so as to gain an unfair advantage against other Member States, for example, in the areas of nationality criteria and in the operation of companies.*

5. *For the purposes of this Chapter:*

- (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 the laws thereof relating to immigration; or*
  - (iii) *is a company or other legal entity constituted in the Member State in*

*conformity with the laws thereof and which that State regards as belonging to it, provided that such company or other legal entity has been formed for gainful purposes and has its registered office and central administration, and carries on substantial activity, within the Community and which is substantially owned and effectively controlled by persons mentioned in sub-paragraphs (i) and (ii) of this paragraph;*

- (b) *"economic enterprises" includes any type of organisation for the production of or trade in goods or the provision of services (other than a non-profit organisation) owned or controlled by any person or entity mentioned in sub-paragraph (a) of this paragraph;*
- (c) *a company or other legal entity is:*
  - (i) *substantially owned if more than 50 per cent of the equity interest therein is beneficially owned by nationals mentioned in sub-paragraph (a) (i) or (ii) of this paragraph;*
  - (ii) *effectively controlled if nationals mentioned in sub-paragraph (a) of this paragraph have the power to name a majority of its directors or otherwise legally to direct its actions.*

### **ARTICLE 33**

#### **Removal of Restrictions on the Right of Establishment**

1. *Subject to the provisions of Article 221 and Article 222, the Member States shall remove restrictions on the right of establishment of nationals of a Member State in the territory of another Member State.*

2. *The removal of restrictions on the right of establishment mentioned in paragraph 1 of this Article shall also apply to restrictions on the setting up of agencies, branches or subsidiaries by nationals of a Member State in the territory of another Member State.*

3. *Subject to the approval of the Conference, COTED, in consultation with COHSOD and COFAP, shall, within one year from the entry into force of this Treaty, establish a programme providing for the removal of restrictions on the right of establishment of nationals of a Member State in the territory of another Member State. The programme shall, inter alia:*

- (a) *identify the activities in respect of which the right of establishment shall not apply;*
- (b) *establish the conditions under which the right of establishment is to be achieved; and*
- (c) *set out the conditions, stages and time-frames for the removal of restrictions on the right of establishment.*

4. *The Community Council may authorise a Member State whose nationals have been aggrieved by the violation of obligations set out in this Article, Article 32, Article 36 and Article 37 to take such measures as may be provided for in this Treaty.*

### **ARTICLE 34**

#### **Management of Removal of Restrictions**

### **on the Right of Establishment**

*In performing its tasks set out in Article 33, COTED shall, inter alia:*

- (a) accord priority to the removal of restrictions on activities in respect of which the right of establishment encourages the development of:
  - (i) the production of trade in goods;*
  - (ii) the provision of services,*which generate foreign exchange earnings;*
- (b) require the Member States to remove administrative practices and procedures, the maintenance of which impede the exercise of the right of establishment;*
- (c) require the Member States to remove all restrictions on the movement of managerial, technical and supervisory staff of economic enterprises and on establishing agencies, branches and subsidiaries of companies and other entities established in the Community;*
- (d) establish measures to ensure the removal of restrictions on the right of establishment in respect of activities accorded priority treatment pursuant to paragraph (a) of this Article as they relate to:
  - (i) the establishment, in the territories of the Member States, of agencies, branches or subsidiaries belonging to an economic enterprise; and*
  - (ii) the conditions governing the entry of managerial, technical or supervisory personnel employed in such agencies, branches and subsidiaries, including the spouses and immediate dependent family members of such personnel;**
- (e) take appropriate measures to ensure close collaboration among competent national authorities in order to improve their knowledge of the particular situation regarding the relevant activities within the Community;*
- (f) require the Member States to ensure that nationals of one Member State may have access to land, buildings and other property situated in the territory of another Member State, other than for speculative purposes or for a purpose potentially destabilising to the economy, on a non-discriminatory basis, bearing in mind the importance of agriculture for many national economies;*
- (g) ensure concordance in the Member States regarding the protection afforded the interests of partners, members and other persons with financial interests in companies and other entities.*

### **ARTICLE 35 Acceptance of Diplomas, Certificates, and other Evidence of Qualifications**

1. COHSOD, in consultation with the competent Organ, shall establish common standards and measures for accreditation or when necessary for the mutual recognition of diplomas, certificates and other evidence of qualifications of the nationals of the Member States in order to facilitate access to, and engagement in, employment and non-wage-earning activities in the Community.

2. The Member States shall establish or employ, as the case may be, appropriate mechanisms to establish common standards to determine equivalency or accord accreditation to diplomas, certificates and other evidence of qualifications secured by nationals of other Member States.

3. COHSOD shall also establish measures for the co-ordination of legislative and administrative requirements of the Member States for the participation of Community nationals in employment and for the conduct of non-wage-earning activities in the Community.

### **ARTICLE 36**

#### **Prohibition of New Restrictions on the Provision of Services**

1. The Member States shall not introduce any new restrictions on the provision of services in the Community by nationals of other Member States except as otherwise provided in this Treaty.

2. Without prejudice to the provisions relating to the right of establishment, persons providing services may, in order to provide such services, temporarily engage in approved activities in the Member State where the services are to be provided under the same conditions enjoyed by nationals of that Member State.

3. The Member States shall notify COTED of existing restrictions on the provision of services in respect of nationals of other Member States.

4. For the purposes of this Chapter, "services" means services provided against remuneration other than wages in any approved sector and "the provision of services" means the supply of services:

- (a) from the territory of one Member State into the territory of another Member State;
- (b) in the territory of one Member State to the service consumer of another Member State;
- (c) by a service supplier of one Member State through commercial presence in the territory of another Member State; and
- (d) by a service supplier of one Member State through the presence of natural persons of a Member State in the territory of another Member State.

### **ARTICLE 37**

#### **Removal of Restrictions on Provision of Services**

1. Subject to the provisions of this Treaty, Member States shall abolish discriminatory restrictions on the provision of services within the Community in respect of Community nationals.

2. Subject to the approval of the Conference, COTED, in consultation with other competent Organs, shall, within one year from the entry into force of this Treaty, establish a

*programme for the removal of restrictions on the provision of such services in the Community by Community nationals.*

3. *In establishing the programme mentioned in paragraph 2 of this Article, COTED shall:*

- (a) accord priority to services which directly affect production costs or facilitate the trade in goods and services which generate foreign exchange earnings;*
- (b) require the Member States to remove administrative practices and procedures, the maintenance of which impede the exercise of the right to provide services;*
- (c) establish measures to ensure the abolition of restrictions on the right to provide services in respect of activities accorded priority treatment in accordance with sub-paragraph (a) of this paragraph, both in terms of conditions for the provision of services in the territories of Member States as well as the conditions governing the entry of personnel, including their spouses and immediate dependent family members, for the provision of services;*
- (d) take appropriate measures to ensure close collaboration among competent national authorities in order to improve their knowledge of the conditions regarding relevant activities within the Community, and*
- (e) require the Member States to ensure that nationals of one Member State have on a non-discriminatory basis, access to land, buildings and other property situated in the territory of another Member State for purposes directly related to the provision of services, bearing in mind the importance of agriculture for many national economies.*

#### **ARTICLE 38**

##### **Removal of Restrictions on Banking, Insurance and Other Financial Services**

1. *Subject to the provisions of this Chapter, the Member States shall remove discriminatory restrictions on banking, insurance and other financial services.*

2. *Subject to the approval of the Conference, COFAP, in consultation with other competent Organs of the Community, may exclude certain financial services from the operation of the provisions of this Article.*

#### **ARTICLE 39**

##### **Prohibition of New Restrictions on Movement of Capital and Current Transactions**

*The Member States shall not introduce any new restrictions on the movement of capital and payments connected with such movement and on current payments and transfers, nor render more restrictive existing regulations except as provided in Article 43 and Article 46.*

#### **ARTICLE 40**

##### **Removal of Restrictions on Movement of Capital and Current Transactions**

1. *The Member States shall, in order to ensure the proper functioning of the CSME, remove among themselves:*

- (a) restrictions on the movement of capital payments;*
- (b) restrictions on all current payments including payments for goods and services and other current transfers.*

2. *COFAP, subject to the approval of the Conference, shall establish in collaboration with the Committee of Central Bank Governors a programme for the removal of the restrictions mentioned in paragraph 1 of this Article.*

3. *For the purpose of this Article, capital and related payments and transfers include:*

- (a) equity and portfolio investments;*
- (b) short-term bank and credit transactions;*
- (c) payment of interest on loans and amortization;*
- (d) dividends and other income on investments after taxes;*
- (e) repatriation of proceeds from the sale of assets; and*
- (f) other transfers and payments relating to investment flows.*

#### **ARTICLE 41**

##### ***Authorisation to Facilitate Movement of Capital***

1. *The Member States shall, where necessary and subject to paragraph 2 of this Article, grant the authorisations required for the movement of capital mentioned in Article 40 on a non-discriminatory basis.*

2. *A loan intended for State purposes may require prior notification to the State in which it is being issued or placed.*

#### **ARTICLE 42**

##### ***Co-ordination of Foreign Exchange Policies and Exchange of Information***

1. *The Member States shall take such measures as are necessary to coordinate their foreign exchange policies in respect of the movement of capital between them and third States.*

2. *The Member States shall keep the competent authorities in other Member States informed of significant unusual movements of capital within their knowledge to and from third States.*

#### **ARTICLE 43**

##### ***Restrictions to Safeguard Balance-of-Payments***

1. *In the event of serious balance-of-payments and external financial difficulties or threat thereof, a Member State may, consistently with its international obligations and subject to paragraph 5 of this Article, adopt or maintain restrictions to address such difficulties.*

2. *The restrictions which may be adopted or maintained pursuant to paragraph 1 of this Article may include quantitative restrictions on imports, restrictions on the right of establishment, restrictions on the right to provide services, restrictions on the right to move capital or on payments and transfers for transactions connected therewith. However, such restrictions:*

- (a) shall, subject to the provisions of this Treaty, not discriminate among Member*

*States or against Member States in favour of third States;*

- (b) shall at all times seek to minimise damage to the commercial, economic or financial interests of any other Member State;*
- (c) shall not exceed those necessary to deal with the circumstances described in paragraph 1 of this Article; and*
- (d) shall be temporary but in any event not longer than a period of eighteen (18) months and be phased out progressively as the situation described in paragraph 1 improves.*

*3. In determining the incidence of such restrictions, the Member State concerned may accord priority to activities which are essential to its economic stability. Such restrictions shall not be adopted or maintained for the purpose of protecting a particular sector in contravention of the relevant provisions of this Treaty, due regard being paid in either case to any special factors which may be affecting the reserves of such Member State or its need for reserves.*

*4. Restrictions adopted or maintained pursuant to paragraph 1 of this Article, or any changes therein, shall be promptly notified within three (3) working days to COFAP and to COTED, and, in any event, the Member State concerned shall immediately consult with the competent Organ if and when requested.*

*5. COFAP shall establish procedures for periodic consultations including, where possible and desirable, prior consultations with the objective of making recommendations to the Member State concerned for the removal of the restrictions.*

*6. The consultations referred to in paragraph 5 of this Article shall:*

- (a) be designed to assist the Member State concerned to overcome its balance-of-payments and external financial difficulties;*
- (b) assess the balance-of-payments situation of the Member State concerned and the restrictions adopted or maintained under this Article, taking into account, inter alia:*
  - (i) the nature and extent of the balance-of-payments and the external financial difficulties;*
  - (ii) the external economic and trading environment of the Member State applying the restrictions; and*
  - (iii) alternative corrective measures which may be available.*

*7. The consultations shall address the compliance of any restrictions with paragraph 2 of this Article and, in particular, the progressive phase-out of restrictions in accordance with paragraph 2(d).*

*8. In such consultations, all findings of statistical and other facts presented by the Committee of Central Bank Governors relating to foreign exchange, monetary reserves and balance-of-payments, shall be accepted and conclusions shall be based on the assessment by the Committee of the balance-of-payments and the external financial situation of the Member State concerned.*

**ARTICLE 44**  
**Measures to Facilitate Establishment, Provision**  
**of Services and Movement of Capital**

1. *In order to facilitate the exercise of the rights provided for in this Chapter, COTED and COFAP shall, subject to the approval of the Conference, adopt appropriate measures for:*

- (a) the establishment of market intelligence and information systems in the Community;*
- (b) harmonised legal and administrative requirements for the operation of partnerships, companies, or other entities;*
- (c) abolition of exchange controls in the Community, and free convertibility of the currencies of the Member States;*
- (d) the establishment of an integrated capital market in the Community;*
- (e) convergence of macro-economic performance and policies through the co-ordination or harmonisation of monetary and fiscal policies, including, in particular, policies relating to interest rates, exchange rates, tax structures and national budgetary deficits;*
- (f) the establishment of economical and efficient land, sea and air transport services throughout the Community, and*
- (g) the establishment of efficient communication services.*

2. *COFAP and COTED shall establish a comprehensive set of rules in respect of the areas listed in paragraph 1 of this Article for approval by the Conference.*

**ARTICLE 45**  
**Movement of Community Nationals**

*Member States commit themselves to the goal of free movement of their nationals within the Community.*

**ARTICLE 46**  
**Movement of Skilled Community Nationals**

1. *Without prejudice to the rights recognised and agreed to be accorded by Member States in Articles 32, 33, 37, 38 and 40 among themselves and to Community nationals, Member States have agreed, and undertake as a first step towards achieving the goal set out in Article 45, to accord to the following categories of Community nationals the right to seek employment in their jurisdictions:*

- (a) University graduates;*
- (b) media workers;*
- (c) sportspersons;*
- (d) artistes; and*
- (e) musicians,*

*recognised as such by the competent authorities of the receiving Member States.*

2. *Member States shall establish appropriate legislative, administrative and procedural arrangements to:*

- (a) facilitate the movement of skills within the contemplation of this Article;*
- (b) provide for movement of Community nationals into and within their jurisdictions without harassment or the imposition of impediments,*

*including:*

- (i) the elimination of the requirement for passports for Community nationals travelling to their jurisdictions;*
- (ii) the elimination of the requirement for work permits for Community nationals seeking approved employment in their jurisdictions;*
- (iii) establishment of mechanisms for certifying and establishing equivalency of degrees and for accrediting institutions;*
- (iv) harmonisation and transferability of social security benefits.*

3. *Nothing in this Treaty shall be construed as inhibiting Member States from according Community nationals unrestricted access to, and movement within, their jurisdictions subject to such conditions as the public interest may require.*

4. *The Conference shall keep the provisions of this Article under review in order to:*

- (a) enlarge, as appropriate, the classes of persons entitled to move and work freely in the Community; and*
- (b) monitor and secure compliance therewith.*

**ARTICLE 47**  
**Restrictions to Resolve Difficulties or Hardships**  
**Arising from the Exercise of Rights**

1. *Where the exercise of rights granted under this Chapter creates serious difficulties in any sector of the economy of a Member State or occasions economic hardships in a region of the Community, a Member State adversely affected thereby may, subject to the provisions of this Article, apply such restrictions on the exercise of the rights as it considers appropriate in order to resolve the difficulties or alleviate the hardships.*

2. *Where a Member State:*

- (a) intends to apply restrictions in accordance with paragraph 1 of this Article, it shall, prior to applying those restrictions, notify the competent Organ of that intention and the nature of the restrictions;*
- (b) is unable to comply with sub-paragraph (a) of this paragraph, it shall, upon applying the restrictions in accordance with paragraph 1, immediately notify the competent Organ of the application and nature of the restrictions.*

3. *The Member State shall, at the time of application of the restrictions mentioned in paragraph 1, submit to COTED or COFAP, as the case may require, a programme setting out the measures to be taken by that Member State to resolve the difficulties or to alleviate the hardships.*

4. *The competent Organ shall give its earliest consideration to the programme, and:*

- (a) make a determination in respect of the appropriateness of the restrictions and whether they shall be continued; and*
- (b) where it decides that the restrictions shall be continued, determine:*
  - (i) the adequacy of the programme; and*
  - (ii) the period for which the restrictions should continue.*

*The competent Organ, in making a determination under sub-paragraph (b) of this paragraph, may impose such conditions as it considers necessary.*

5. *Restrictions applied by a Member State pursuant to paragraph 1 of this Article shall be confined to those necessary:*

- (a) to resolve the difficulties in the affected sectors;*
- (b) to alleviate economic hardships in a particular region.*

6. *In applying restrictions mentioned in paragraph 5, Member States shall:*

- (a) minimise damage to the commercial or economic interests of any other Member State; or*
- (b) prevent the unreasonable exercise of rights granted under this Chapter, the exclusion of which could impair the development of the CSME.*

7. *The Member States, in applying restrictions pursuant to paragraph 1 of this Article, shall not discriminate and:*

- (a) *shall progressively relax them as relevant conditions improve;*
- (b) *may maintain them only to the extent that conditions mentioned in paragraph 1 of this Article continue to justify their application.*

8. *If COTED or COFAP, as the case may require, is not satisfied that Member States applying restrictions are acting in accordance with the provisions of paragraph 6 of this Article, it may recommend to the Member States adversely affected thereby alternative arrangements to the same end.*

#### **ARTICLE 48** **Waiver of Obligations to Grant Rights**

1. *Notwithstanding any provision in this Chapter, a Member State may apply to the Community Council for a waiver of the requirement to grant any of the rights mentioned in paragraph 1 of Article 30 in respect of any industry, sector or enterprise.*

2. *An application for a waiver within the meaning of paragraph 1 of this Article shall:*

- (a) *be made prior to the establishment of the relevant programme for the removal of restrictions on the rights mentioned in paragraph 1;*
- (b) *identify the rights in respect of which the waiver is required;*
- (c) *set out the circumstances justifying the grant of the waiver; and*
- (d) *indicate the period for which the waiver is required.*

3. *The Community Council may require the applicant to furnish such additional information as the Council may specify.*

4. *Where the Community Council is satisfied that the waiver should be granted, it shall grant a waiver for a period not exceeding five years, subject to such terms and conditions as the Community Council may determine.*

5. *A Member State which has been granted a waiver within the meaning of paragraph 1 of this Article:*

- (a) *shall not, while the waiver is in force, be entitled to espouse a claim on behalf of its nationals against another Member State in respect of the rights for which the waiver was granted;*
- (b) *shall:*
  - (i) *at the termination of the period of the waiver, remove the restrictions and notify the Community Council; or*
  - (ii) *where the Member State removes the restrictions before the end of the period of the waiver, notify the Community Council accordingly.*

**ARTICLE 49**  
**Special Provisions for Less Developed Countries**

*Where in this Chapter, the Member States or competent Organs are required to remove restrictions on the exercise of the rights mentioned in paragraph 1 of Article 30 the special needs and circumstances of the Less Developed Countries shall be taken into account.*

**ARTICLE 50**  
**Accelerated Implementation**

*Nothing in this Chapter shall be construed as precluding the Member States from adopting measures to remove restrictions on the right of establishment, the right to provide services or the right to move capital within the Community earlier than is required by these provisions.*

**CHAPTER FOUR**  
**POLICIES FOR SECTORAL DEVELOPMENT**

**PART ONE**  
**INDUSTRIAL POLICY**

**ARTICLE 51**  
**Objectives of the Community Industrial Policy**

1. The goal of the Community Industrial Policy shall be market-led, internationally competitive and sustainable production of goods and services for the promotion of the Region's economic and social development.

2. In fulfilment of the goal set out in paragraph 1 of this Article, the Community shall pursue the following objectives:

- (a) cross-border employment of natural resources, human resources, capital, technology and management capabilities for the production of goods and services on a sustainable basis;
- (b) linkages among economic sectors and enterprises within and among the Member States of the CSME;
- (c) promotion of regional economic enterprises capable of achieving scales of production to facilitate successful competition in domestic and extra-regional markets;
- (d) establishment of a viable micro and small economic enterprise sector;
- (e) enhanced and diversified production of goods and services for both export and domestic markets;
- (f) sustained public and private sector collaboration in order to secure market-led production of goods and services;

- (g) *enhanced industrial production on an environmentally sustainable basis;*
- (h) *balanced economic and social development in the CSME bearing in mind the special needs of disadvantaged countries, regions and sectors within the meaning of Article I; and*
- (i) *stable industrial relations.*

**ARTICLE 52**  
**Implementation of Community Industrial Policy**

1. *In order to achieve the objectives of its industrial policy, the Community shall promote, inter alia:*

- (a) *the co-ordination of national industrial policies of the Member States;*
- (b) *the establishment and maintenance of an investment-friendly environment, including a facilitative administrative process;*
- (c) *the diversification of the products and markets for goods and services with a view to increasing the range and value of exports;*
- (d) *the organisation and development of product and factor markets;*
- (e) *the development of required institutional, legal, technical, financial, administrative and other support for the establishment or development of micro and small economic enterprises throughout the Community; and*
- (f) *in collaboration with the social partners, the advancement of production integration.*

2. *The Community shall establish a special regime for disadvantaged countries, regions and sectors.*

3. *COTED shall, in collaboration with competent organs and bodies of the Community and the private sector, establish criteria for according special consideration to particular industries and sectors. Such criteria shall include, in particular, arrangements relating to the prospects of the industry for successful production integration.*

4. *COTED shall collaborate with competent agencies to assist the Member States in designing appropriate policy instruments to support industries, which may include effective export promotion policies, financing policies, incentives and technology policies.*

5. *In implementing the Community Industrial Policy, COTED shall have regard to the provisions of this Treaty relating to environmental protection.*

6. *The Member States undertake to establish and maintain appropriate macro-economic policies supportive of efficient production in the Community. In addition, they shall undertake to put in place arrangements for, inter alia:*

- (a) *effective payment mechanisms;*
- (b) *the avoidance of double taxation;*
- (c) *harmonised legislation in relevant areas;*

- (d) *the elimination of bureaucratic impediments to deployment of investments in industrial enterprises;*
- (e) *the improvement of infrastructure and co-operation in the areas of air and maritime transport;*
- (f) *communications systems.*

7. *In order to facilitate the implementation of the Community Industrial Policy, COTED shall, in collaboration with competent organs and agencies:*

- (a) *develop strategies for the development and dissemination of market information and appropriate mechanisms to facilitate acquisition, storage and retrieval of such information;*
- (b) *promote the establishment and development of capital markets in the Member States; and*
- (c) *encourage the Member States to establish and develop export markets, especially in non-traditional sectors, through the development of sector-specific incentives and appropriate policy instruments.*

8. *For the purpose of this Article, "production integration" includes:*

- (a) *the direct organisation of production in more than one Member State by a single economic enterprise;*
- (b) *complementary production involving collaboration among several economic enterprises operating in one or more Member States to produce and use required inputs in the production chain; and*
- (c) *co-operation among economic enterprises in areas such as purchasing, marketing, and research and development.*

### **ARTICLE 53**

#### **Micro and Small Economic Enterprise Development**

1. *The Community shall adopt appropriate policy measures to encourage the development of competitive micro and small economic enterprises in the Member States.*

2. *Without prejudice to the generality of the foregoing, the competent Organ shall encourage policy initiatives and the establishment of effective programmes to foster a facilitative legal, economic, and administrative framework in the Member States to enhance micro and small economic enterprise development, and shall promote:*

- (a) *the development of the capacities of national and regional support agencies for micro and small economic enterprises, including the creation of entrepreneurial centres, by organising technical assistance inclusive of planning, delivery and evaluation of support services to the sector;*
- (b) *access to, improvement in the quality of, and opportunities for training and education in areas such as technical skills, entrepreneurial competence and business management for micro and small entrepreneurs;*
- (c) *access by micro and small economic enterprises to the technical assistance provided by the support agencies;*
- (d) *the establishment, development or modernising, as the case may require,*

*of financial institutions to provide, to micro and small economic enterprises, services by way of appropriate and innovative instruments;*

- (e) innovation within the micro and small enterprise sector; and*
- (f) the creation of, and access to, trade and technology information networks.*

3. *For the purposes of this Article, micro and small economic enterprises shall be economic enterprises within the meaning of Article 32 that satisfy such other criteria as may be determined by the competent authorities.*

#### **ARTICLE 54** **Development of the Services Sector**

1. *COTED shall, in collaboration with the appropriate Councils, promote the development of the services sector in the Community in order to stimulate economic complementarities among, and accelerate economic development in, the Member States. In particular, COTED shall promote measures to achieve:*

- (a) increased investment in services;*
- (b) increased volume, value and range of trade in services within the Community and with third States;*
- (c) competitiveness in the modes of delivering services; and*
- (d) enhanced enterprise and infrastructural development, including that of micro and small service enterprises.*

2. *In order to achieve the objectives set out in paragraph 1, the Member States shall, through the appropriate Councils, collaborate in:*

- (a) designing programmes for the development of human resources to achieve competitiveness in the provision of services;*
- (b) establishing a regime of incentives for the development of and trade in services; and*
- (c) adopting measures to promote the establishment of an appropriate institutional and administrative framework and, in collaboration with the Legal Affairs Committee, promote the establishment of the appropriate legal framework to support the services sector in the Community.*

3. *In the establishment of programmes and policies of the Community for the development of the services sector, the relevant Councils shall give priority to:*

- (a) the efficient provision of infrastructural services including telecommunications, road, air, maritime and riverain transportation, statistical data generation and financial services;*
- (b) the development of capacity-enhancing services including education services, research and development services;*
- (c) the development of services which enhance cross-sector competitiveness;*
- (d) the facilitation of cross-border provision of services which enhance the competitiveness of the services sector; and*

- (e) *the development of informatics and other knowledge-based services.*

**ARTICLE 55**  
**Sustainable Tourism Development**

1. *The Community shall, in collaboration with competent international organisations, formulate proposals for sustainable tourism development. These proposals shall recognise the importance of the tourism sub-sector to the economic development of the Region, and the need to conserve its cultural and natural resources and to maintain a balance between a healthy ecology and economic development.*

2. *The programme for sustainable tourism development shall have the following objectives:*

- (a) *an enhanced image for the Region as a tourist destination;*
- (b) *a diversified tourism product of a consistently high quality;*
- (c) *an expanded market-base;*
- (d) *education programmes designed to ensure that appropriate practices are pursued by service-providers;*
- (e) *linkages with other sectors in the economy;*
- (f) *conservation of the natural and cultural resources of the Region through proper management; and*
- (g) *appropriate infrastructure and other services in support of tourism, considering the natural and social carrying-capacity of the Member States.*

**PART TWO**  
**AGRICULTURAL POLICY**

**ARTICLE 56**  
**The Community Agricultural Policy**

1. *The goal of the Community Agricultural Policy shall be:*

- (a) *the fundamental transformation of the agricultural sector towards market-oriented, internationally competitive and environmentally sound production of agricultural products;*
- (b) *improved income and employment opportunities, food and nutrition security, and poverty alleviation in the Community;*
- (c) *the efficient cultivation and production of traditional and non-traditional primary agricultural products;*
- (d) *increased production and diversification of processed agricultural products;*
- (e) *an enlarged share of world markets for primary and processed agricultural products; and*
- (f) *the efficient management and sustainable exploitation of the Region's natural resources, including its forests and the living resources of the exclusive economic zone,*

*bearing in mind the differences in resource endowment and economic development of the Member*

States.

**ARTICLE 57**  
**Implementation of the Community Agricultural Policy**

1. For the achievement of the goal set out in Article 56, the Community shall, through competent Community Organs and Bodies, promote and support:

- (a) *the production, diversification, processing and marketing of agricultural products;*
- (b) *the establishment of effective agricultural financing systems, including insurance, bearing in mind the special needs of artisanal fishers, small farmers, foresters and agro-processors;*
- (c) *the establishment of linkages among the Member States with complementary natural resources, industries, agricultural skills and technical abilities;*
- (d) *the development of human resources and delivery systems responsive to the requirements of the agricultural sector;*
- (e) *the development of appropriate policies for the use of land and marine space with a view to increased agricultural production;*
- (f) *appropriate land tenure systems to provide the farmer with security of tenure;*
- (g) *the establishment of effective information and market intelligence services;*
- (h) *research and development with a view to the adaptation, dissemination and application of appropriate technologies at all levels of the sector and all stages of production;*
- (i) *the adoption of effective measures for rural enterprise development;*
- (j) *public education to enhance the economic and social profiles of agriculture, particularly among the youth;*
- (k) *the establishment of an effective regime of sanitary and phytosanitary measures;*
- (l) *the establishment of a policy environment designed to attract investment to the agricultural sector; and*
- (m) *technical co-operation and the dissemination of knowledge in agriculture.*

2. For the purpose of assisting the Member States to implement the agricultural policy set out in paragraph 1, COTED shall establish effective support measures including:

- (a) *strengthening the relevant administrative and institutional framework to modernise and enhance the competitiveness of agriculture by:*
  - (i) *improving the capability of the Member States to undertake policy analysis, formulation, planning, execution and resource mobilisation for the development of the sector;*

- (ii) *investigating and analysing developments in the agri-food sector; and*
- (iii) *improvement of the collection, analysis and dissemination of empirical data and other relevant information;*
- (b) *upgrading of national and regional capabilities in the areas of sustainable natural resources management;*
- (c) *enhancement of the capabilities of the Member States in the areas of agricultural trade analysis and negotiations; and*
- (d) *promotion of a mechanism for the collaboration of farmers, fishers, foresters and the social partners in agricultural development.*

3. *The Community shall:*

- (a) *promote collaboration among the Member States and competent regional organisations in the areas of policy formulation and implementation of regional agricultural policies; and*
- (b) *establish an effective regime to protect regional agricultural production from dumping, subsidisation and other unfair trading practices.*

4. *The Community shall, as a matter of priority, and in collaboration with national, regional and international agencies and organisations, promote and adopt measures relating, inter alia, to:*

- (a) *the provision of appropriate inputs; and*
- (b) *the development of infrastructure, such as port facilities, drainage, irrigation, access roads, post-harvest handling and marketing facilities.*

## **ARTICLE 58**

### **Natural Resource Management**

1. *The Community shall adopt effective measures to assist the Member States in the management of their natural resources in support of the transformation and sustainable development of the agricultural sector.*

2. *Without prejudice to the generality of paragraph 1 and to obligations of Member States under existing international agreements, the Community shall adopt measures for:*

- (a) *the effective management of the soil, air and all water resources, the exclusive economic zone and all other maritime areas under the national jurisdiction of the Member States; and*
- (b) *the conservation of biological diversity and the sustainable use of biological resources of the Member States, especially those of important medicinal and traditional value.*

## **ARTICLE 59**

### **Marketing of Agricultural Products**

1. *The Community shall, in collaboration with competent national, regional and international organisations, promote the development of effective agricultural marketing systems in order to respond to, influence and generate market demand for agricultural products of the Member States.*

2. *In effecting the promotion referred to in paragraph 1, the Community shall pay particular attention to:*

- (a) market information, intelligence and planning;*
- (b) improved post-harvest technology;*
- (c) risk insurance; and*
- (d) efficient distribution services.*

3. *In order to accomplish the objectives referred to in paragraph 1, the Community shall adopt measures to promote:*

- (a) the establishment of a regional market information system;*
- (b) the improvement of production and market information systems of the Member States in order to facilitate, inter alia, the efficient co-ordination of marketing strategies and systems;*
- (c) institutional arrangements including producer associations and joint venture marketing enterprises in order to respond to existing and changing market conditions;*
- (d) niche marketing;*
- (e) linkages between agriculture and other sectors in particular, the tourism sector;*
- (f) the identification and utilisation of sources of low cost alternative inputs;*
- (g) the establishment and adoption of regional standards and specifications compatible with international standards for products being traded;*
- (h) enhanced productivity and food quality;*
- (i) insurance coverage for primary agricultural products; and*
- (j) the development of efficient distribution services to facilitate intra-regional and extra-regional marketing.*

4. *In pursuance of the need to generate market demand for agricultural products of the Member States and to promote the agricultural development of the Less Developed Countries, the Member States shall agree to the arrangements for marketing oils and fats set out in Schedule III.*

## **ARTICLE 60**

### **Fisheries Management and Development**

1. *The Community, in collaboration with competent national, regional and international agencies and organisations, shall promote the development, management and conservation of the fisheries resources in and among the Member States on a sustainable basis.*

2. *The Community shall effect the promotion and facilitation referred to in paragraph 1 by:*

- (a) *enhancing the institutional capabilities of the Member States in areas such as policy formulation, registration and management systems, resource monitoring and assessment, and harvesting and post-harvesting technologies;*
- (b) *establishing mechanisms to provide assistance in:*
  - (i) *the development, management and conservation of the fisheries resources;*
  - (ii) *the discharge of obligations relating to fisheries resources arising under Articles 62, 63 and 64 of the United Nations Convention on the Law of the Sea (1982).*
- (c) *effective regional representation at international fora;*
- (d) *establishing development programmes for aquaculture;*
- (e) *encouraging the establishment of protected aquatic habitats and associated terrestrial areas and fish populations for the sustainable development of fisheries resources of the Member States; and*
- (f) *establishing, facilitating and strengthening research and human resource development at the professional, technical and vocational levels.*

3. *The Community shall collaborate with the Member States in:*

- (a) *the management of straddling and highly migratory fish stocks;*
- (b) *ongoing surveillance of their exclusive economic zones;*
- (c) *the delimitation of maritime boundaries; and*
- (d) *safeguarding their marine environment from pollutants and hazardous wastes.*

4. *Without prejudice to the provisions of Article 56, COFCOR shall promote the establishment of a regime for the effective management, conservation and utilisation of the living resources of the exclusive economic zones of the Member States.*

5. *For the purpose of this Article, "fisheries resources" includes all the fishable resources, natural and cultured, in the inland and internal waters, territorial seas and the exclusive economic zones of the Member States.*

## **ARTICLE 61**

### **Forest Management and Development**

1. *The Community shall, in collaboration with competent national, regional and international agencies and organisations, promote the development, management and conservation of the forest resources in the Member States on a sustainable basis.*

2. *The Community shall effect the promotion and facilitation referred to in paragraph 1 by formulating policies and programmes for:*

- (a) *the management of its forest resources;*
- (b) *the integration of forest development in rural communities;*

- (c) *enhancing the institutional capabilities of the Member States to design and implement forest management systems;*
- (d) *establishing, facilitating and strengthening programmes for research and for human resource development at the professional, technical and vocational levels;*
- (e) *encouraging public and private sector participation in the development and application of technology;*
- (f) *providing incentives for forestry development to stimulate domestic, regional and foreign investment in the forestry sub-sector;*
- (g) *harmonising standards for quality assurance, compatible with international specifications;*
- (h) *promoting commercialisation of natural forest products in a sustainable manner; and*
- (i) *undertaking national forest inventories.*

3. *For the purposes of this Article, “forest resources” are those natural assets of forest lands, including timber and other forest products, biological diversity, recreation, fish and wildlife habitat, wilderness, flora and fauna, air, water and soil.*

## **ARTICLE 62**

### **Saving**

*The provisions of this Chapter are without prejudice to obligations of the Member States under existing international agreements.*

## **PART THREE**

### **COMMON SUPPORTIVE MEASURES**

## **ARTICLE 63**

### **Human Resources Development**

1. *Without prejudice to any other provision of this Treaty relating to human resources development, the COTED shall, in collaboration with the COHSOD, adopt measures to develop the Community’s human resources which shall, inter alia, support its thrust toward international competitiveness in the development, production and delivery of goods and services.*

2. *The measures referred to in paragraph 1 of this Article shall be designed to address the economic, social and cultural aspects of human resources development, and shall include the following:*

- (a) *development of programmes that will assist Community nationals in engendering the attitudes and acquiring the competence to function effectively;*
- (b) *development of the skills and attitudes required to foster a culture of entrepreneurship;*

- (c) *establishing and strengthening educational and training institutions for formal and informal modes of delivery and alternative modes for distance education;*
- (d) *development of industry-oriented curricula designed to improve the competitiveness of regional industries; and*
- (e) *promotion of multi-lingual skills at all levels for general education, with particular emphasis on the needs of the services sector.*

3. *The Community shall, in particular and on a continuing basis, adopt effective measures for the development of human resources to satisfy the requirements for cadres of skilled agricultural personnel at all levels in the Member States.*

4. *For the purposes of paragraph 3, provision shall be made to:*

- (a) *monitor and evaluate, on an on-going basis, the demand for, and appropriateness of agricultural education and training;*
- (b) *establish training programmes in the agricultural sector;*
- (c) *develop effective delivery of in-field training for farmers, foresters and fishers; and*
- (d) *improve the facilities and strengthen the capabilities of regional training institutions and national administrations in support of agricultural development.*

5. *In performing the functions referred to in paragraph 4 of this Article, the Community shall collaborate with education and training institutions and relevant regional and international organisations in developing harmonised agricultural syllabuses, training materials and case studies in key areas of farming, fisheries and forestry utilising distance education technology where appropriate.*

## **ARTICLE 64**

### **Research and Development**

1. *COTED shall promote market-led research, technological development and adaptation of technology in the Community in order to support the production, on a sustainable basis, of goods and services in the Member States with a view to diversifying such production and enhancing its international competitiveness.*

2. *In the discharge of its mandate set out in paragraph 1 of this Article, COTED shall adopt measures to encourage, inter alia, inventions and innovation, and acquisition, transfer, assimilation, adaptation and diffusion of technologies in the Community. Without prejudice to the generality of the foregoing, COTED shall:*

- (a) *encourage public and private sector agencies, research establishments and tertiary institutions in their research and technological development activities and assist in identifying sources of funding for such activities;*
- (b) *promote co-operation in research and technological development among the Member States and with third States and competent international organisations;*
- (c) *facilitate co-operation:*
  - (i) *in training;*

- (ii) *in the exchange of scientific and technical information among competent institutions;*
- (iii) *in the free movement of researchers in the Community;*
- (iv) *among private sector enterprises to integrate the results of research and development in the production process;*
- (d) *develop and implement technological policies and strategies, having due regard for the importance of technology management and protection of intellectual property rights;*
- (e) *facilitate access by Community nationals to technological and research facilities of Member States; and*
- (f) *promote the development of technology extension services.*

3. *In particular, COTED shall promote and encourage research and development, and the adaptation, diffusion and transfer of appropriate technologies in order to achieve increased agricultural production and productivity, bearing in mind the need to protect the independence and human rights of the farming community.*

4. *COTED shall, in collaboration with competent public and private sector research and development institutions, encourage and assist Member States:*

- (a) *to facilitate access to and use of new and appropriate technologies in the agricultural sector;*
- (b) *to develop:*
  - (i) *efficient systems for the generation and transfer of appropriate technologies; and*
  - (ii) *technological and institutional capabilities in the public and private sectors,*

*compatible with competitive and sustainable agricultural production.*

5. *In the pursuit of its functions under this Article, COTED shall encourage the private sector to play a vital role in:*

- (a) *the development, adaptation and transfer of appropriate technologies in the agricultural sector; and*
- (b) *the development of producer associations as a basis for autonomous action and intra-regional transfer of technologies and research findings.*

6. *COTED shall co-operate with the Member States and competent organisations to devise means of protecting, developing and commercialising local knowledge about the value and use of the Region's biodiversity for the benefit of their populations, especially their indigenous peoples.*

## **ARTICLE 65**

### ***Environmental Protection***

1. *The policies of the Community shall be implemented in a manner that ensures the prudent and rational management of the resources of the Member States. In particular, the*

*Community shall promote measures to ensure:*

- (a) the preservation, protection and improvement of the quality of the environment;*
- (b) the protection of the life and health of humans, animals and plants; and*
- (c) the adoption of initiatives at the Community level to address regional environmental problems.*

*2. In formulating measures in relation to the environment, the Community shall take account of:*

- (a) available and accessible scientific and technical data;*
- (b) environmental conditions in the Member States;*
- (c) the potential costs and benefits of action or inaction;*
- (d) the economic and social development of the Community as a whole and the balanced development of the Member States;*
- (e) the precautionary principle and those principles relating to preventive action, rectification of environmental damage at source and the principle that the polluter pays; and*
- (f) the need to protect the Region from the harmful effects of hazardous materials transported, generated, disposed of or shipped through or within the Community.*

*3. In performing its functions under this Treaty, COTED shall ensure a balance between the requirements of industrial development and the protection and preservation of the environment.*

*4. In giving effect to this Article, the Community and the Member States shall, within their respective spheres of competence, co-operate with third States and competent environmental organisations.*

## **ARTICLE 66**

### **Protection of Intellectual Property Rights**

*COTED shall promote the protection of intellectual property rights within the Community by, inter alia:*

- (a) the strengthening of regimes for the protection of intellectual property rights and the simplification of registration procedures in the Member States;*
- (b) the establishment of a regional administration for intellectual property rights except copyright;*
- (c) the identification and establishment, by the Member States of mechanisms to ensure:*
  - (i) the use of protected works for the enhanced benefit of the Member States;*
  - (ii) the preservation of indigenous Caribbean culture; and*
  - (iii) the legal protection of the expressions of folklore, other traditional*

*knowledge and national heritage, particularly of indigenous populations in the Community;*

- (d) increased dissemination and use of patent documentation as a source of technological information;*
- (e) public education;*
- (f) measures to prevent the abuse of intellectual property rights by rights-holders or the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology; and*
- (g) participation by the Member States in international regimes for the protection of intellectual property rights.*

#### **ARTICLE 67**

##### **Standards and Technical Regulations**

1. *COTED shall, in collaboration with competent agencies, develop a standardisation programme in furtherance of the objectives of this Chapter and consistent with the international obligations of the Member States.*

2. *In implementing the programme, the Member States shall not use standards, technical regulations and conformity assessment procedures as barriers to trade.*

3. *The programme shall have the following objectives:*

- (a) trade facilitation;*
- (b) enhanced efficiency in the production and delivery of goods and services;*
- (c) improved quality of goods and services traded within the Community and with third States; and*
- (d) consumer and environmental protection.*

4. *The programme shall include the following elements:*

- (a) harmonisation of standards and technical regulations, and transparency in the development and promulgation of standards and technical regulations;*
- (b) recognition of conformity assessment procedures through mutual recognition agreements or other means;*
- (c) facilitation of standards infrastructure development at the national and regional levels;*
- (d) facilitation of metrology infrastructure development; and*
- (e) arrangements for the exchange of information with respect to development and implementation of standards and technical regulations among the parties to this Treaty.*

5. *The Community shall promote the establishment of a regional standards body which shall, inter alia:*

- (a) *facilitate implementation of the standardisation programme;*
- (b) *assist the Member States in understanding and fulfilling their obligations under this Treaty and other international agreements;*
- (c) *promote the development of national standards bodies in the Member States; and*
- (d) *facilitate access to technical assistance available in the Member States and in third States.*

6. *For the purposes of this Article, the following definitions apply:*

- (a) *“technical regulations” means regulations which lay down product characteristics or their related processes and production methods, including the applicable administrative provisions, with which compliance is mandatory. The term may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method.*
- (b) *“standard” means a guideline approved by a recognised body, that provides, for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandatory. The term may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method.*
- (c) *“conformity assessment procedures” includes any procedure used, directly or indirectly, to determine that relevant requirements in technical regulations or standards are fulfilled.*

## **ARTICLE 68**

### **Community Investment Policy**

*COTED in collaboration with COFAP and COHSOD shall establish a Community Investment Policy which shall include sound national macro-economic policies, a harmonised system of investment incentives, stable industrial relations, appropriate financial institutions and arrangements, supportive legal and social infrastructure and modernisation of the role of public authorities.*

## **ARTICLE 69**

### **Harmonisation of Investment Incentives**

1. *The Member States shall harmonise national incentives to investments in the industrial, agricultural and services sectors.*

2. *COFAP shall, consistently with relevant international agreements, formulate proposals for the establishment of regimes for the granting of incentives to enterprises in the sectors mentioned in paragraph 1. In particular, such proposals shall accord support for industries considered to be of strategic interest to the Community.*

3. *In formulating the proposals mentioned in paragraph 2, COFAP shall give due consideration to the peculiarities of the industries concerned and, without prejudice to the generality of the foregoing, may provide for the following:*

- (a) *national incentives to investment designed to promote sustainable, export-led industrial and service-oriented development;*

- (b) *investment facilitation through the removal of bureaucratic impediments; and*
- (c) *non-discrimination in the granting of incentives among Community nationals.*

**ARTICLE 70**  
**Macro-Economic Policies**

1. *COFAP shall formulate proposals and adopt appropriate measures to promote a sound macro-economic environment in the Member States, consistent with their obligations under this Treaty and applicable international agreements.*

2. *COFAP shall, in collaboration with other competent Organs, promote economic development in the Member States through the development and application of convergent macro-economic policies to ensure fiscal discipline, favourable balance-of-payments, stable currencies and moderate prices without prejudice to securing high levels of employment.*

3. *COFAP shall collaborate with COFCOR and COTED in co-ordinating:*

- (a) *the economic policies of the Member States; and*
- (b) *the positions and presentations of the Member States in all international economic, financial and trade meetings at which they are represented.*

4. *In support of the development of macro-economic policies, the Community shall provide for harmonisation of the output of the statistical services of the Member States.*

**ARTICLE 71**  
**Financial Infrastructure**

*COFAP shall adopt proposals for the establishment of financial infrastructure supportive of investments in the Community. In particular, COFAP shall assist the Member States in establishing capital markets, financial institutions and appropriate financial instruments to facilitate capital investment on a sustainable basis.*

**ARTICLE 72**  
**Double Taxation Agreements**

1. *The Member States shall conclude among themselves an agreement for the avoidance of double taxation in order to facilitate the free movement of capital in the Community.*

2. *The Member States shall conclude their double taxation agreements with third States on the basis of mutually agreed principles which shall be determined by COFAP.*

**ARTICLE 73**  
**Industrial Relations**

*COHSOD shall, in consultation with COTED, formulate proposals and adopt appropriate measures for the promotion of harmonious, stable and enlightened industrial relations in the Community. In formulating such measures and proposals, COHSOD shall, inter alia, promote:*

- (a) *the objectives of full employment, improved living and working conditions; adequate social security policies and programmes; tripartite consultations among governments, workers' and employers' organisations; and cross-border mobility of labour;*

- (b) *recognition of the principle of non-discriminatory treatment among Community workers in the pursuit of employment within the Community;*
- (c) *the establishment and maintenance of effective mechanisms for the enhancement of industrial relations, particularly that of collective bargaining; and*
- (d) *awareness among Community workers and employers that international competitiveness is essential for social and economic development of Member States and requires collaboration of employers and workers for increased production and productivity in Community enterprises.*

#### **ARTICLE 74** **Legal Infrastructure**

1. *The Legal Affairs Committee shall co-operate with competent Organs of the Community to advise the Member States on the legal infrastructure required to promote investments in the Member States, including cross-border investments, bearing in mind the provisions of Article 68.*

2. *The Member States shall harmonise their laws and administrative practices in respect of, inter alia:*

- (a) *companies or other legal entities;*
- (b) *intellectual property rights;*
- (c) *standards and technical regulations;*
- (d) *labelling of food and drugs;*
- (e) *sanitary and phytosanitary measures;*
- (f) *competition policy;*
- (g) *dumping;*
- (h) *subsidies and countervailing measures; and*
- (i) *commercial arbitration.*

#### **ARTICLE 75** **Development of Social Infrastructure**

1. *In establishing its industrial policy, the Community shall promote appropriate measures for the establishment of adequate social infrastructure, the alleviation of poverty, and securing social stability in the Member States.*

2. *Without prejudice to the generality of the foregoing, the Community shall promote in the Member States:*

- (a) *the establishment and improvement of health, education, sports and social security institutions and facilities;*
- (b) *conclusion of reciprocal social security agreements among Member States in order to facilitate the movement of skills; and*

- (c) *training and retraining of workers, mobility of instructors and trainees, co-operation among educational and training institutions, and the development of distance education.*

3. *The Member States shall engender an understanding and appreciation of the Community through effective public relations, educational, cultural and youth exchange programmes.*

#### **ARTICLE 76** **Role of Public Authorities**

*COTED shall promote the modernisation of government bureaucracies by, inter alia:*

- (a) *encouraging the development of closer contacts between public sector administrations, industry and other stakeholders to ensure that challenges presented by the global environment are understood and co-operative solutions developed;*
- (b) *removing impediments and improving the regulatory framework for economic enterprises at national and regional levels;*
- (c) *encouraging cost-effectiveness in the delivery of services to the public; and*
- (d) *proposing adequate arrangements to address the changes in the business environment and future challenges to industry.*

#### **ARTICLE 77** **Special Provisions for Less Developed Countries**

*Where in this Chapter Member States or competent Organs are required to adopt measures for the achievement of the Community Industrial Policy, the special needs and circumstances of the Less Developed Countries shall be taken into account.*

## **CHAPTER FIVE** **TRADE POLICY**

### **PART ONE** **PRELIMINARY**

#### **ARTICLE 78** **Objectives of the Community Trade Policy**

1. *The goal of the Community Trade Policy shall be the sustained growth of intra-Community and international trade and mutually beneficial exchange of goods and services among the Member States and between the Community and third States.*

2. *In fulfilment of the goal set out in paragraph 1 of this Article the Community shall pursue the following objectives:*

- (a) *full integration of the national markets of all Member States of the Community into a single unified and open market area;*
- (b) *the widening of the market area of the Community;*
- (c) *the active promotion of export of internationally competitive goods and services originating within the Community;*

- (d) *the securing of the most favourable terms of trade for Community goods and services exported to third States and groups of States.*
- 3. *In order to achieve the objectives of its Trade Policy, the Community shall:*
  - (a) *undertake:*
    - (i) *the establishment of common instruments, common services and the joint regulation, operation and efficient administration of the internal and external commerce of the CSME;*
    - (ii) *where possible, the employment of common negotiating strategies in the development of mutually beneficial trade agreements with third States and groups of States;*
    - (iii) *participation and joint representation as appropriate in international and regional organisations which negotiate, establish and apply disciplines governing international and regional trade;*
  - (b) *prohibit the imposition by the Member States of new restrictions on imports and exports of products of Community origin.*
- 4. *Member States shall eliminate existing restrictions on imports and exports of goods of Community origin, other than those authorised by this Treaty.*

#### **ARTICLE 79** **General Provisions on Trade Liberalisation**

- 1. *The Member States shall establish and maintain a regime for the free movement of goods and services within the CSME.*
- 2. *Each Member State shall refrain from trade policies and practices, the object or effect of which is to distort competition, frustrate free movement of goods and services, or otherwise nullify or impair benefits to which other Member States are entitled under this Treaty.*
- 3. *The Member States shall not introduce in their territories any new restrictions on imports or exports of Community origin save as otherwise provided in this Treaty.*

#### **ARTICLE 80** **Co-ordination of External Trade Policy**

- 1. *The Member States shall co-ordinate their trade policies with third States or groups of third States.*
- 2. *The Community shall pursue the negotiation of external trade and economic agreements on a joint basis in accordance with principles and mechanisms established by the Conference.*
- 3. *Bilateral agreements to be negotiated by Member States in pursuance of their national strategic interests shall:*
  - (a) *be without prejudice to their obligations under the Treaty; and*
  - (b) *prior to their conclusion, be subject to certification by the CARICOM Secretariat that the agreements do not prejudice or place at a disadvantage the position of other CARICOM States vis-a-vis the Treaty.*
- 4. *Where trade agreements involving tariff concessions are being negotiated, the prior*

approval of COTED shall be required.

5. Nothing in this Treaty shall preclude Belize from concluding arrangements with neighbouring economic groupings provided that treatment not less favourable than that accorded to third States within such groupings shall be accorded to the Member States of the Community, and that the arrangements make adequate provision to guard against the deflection of trade into the rest of CARICOM from the countries of such groupings through Belize.

#### **ARTICLE 81** **Deposit of Agreements with Third Countries**

The Member States shall deposit with the Secretariat, agreements relating to trade or aid concluded by them with third countries.

### **PART TWO** **TRADE LIBERALISATION**

#### **ARTICLE 82** **Establishment of Common External Tariff**

The Member States shall establish and maintain a common external tariff in respect of all goods which do not qualify for Community treatment in accordance with plans and schedules set out in relevant determinations of COTED.

#### **ARTICLE 83** **Operation of the Common External Tariff**

1. Any alteration or suspension of the Common External Tariff on any item shall be decided by COTED.

2. Where:

- (a) a product is not being produced in the Community;
- (b) the quantity of the product being produced in the Community does not satisfy the demand of the Community; or
- (c) the quality of the product being produced in the Community is below the Community standard or a standard the use of which is authorised by COTED,

COTED may decide to authorise the reduction or suspension of the Common External Tariff in respect of imports of that product subject to such terms and conditions as it may decide, provided that in no case shall the product imported from third States be accorded more favourable treatment than similar products produced in the Member States.

3. The authority referred to in paragraph 2 to suspend the Common External Tariff may be exercised by the Secretary-General on behalf of COTED during any period between meetings of COTED. Any exercise of such authority by the Secretary-General shall be reported to the next meeting of COTED.

4. Each Member State shall, for the purpose of administering the Common External Tariff, appoint a competent authority which shall be notified to COTED.

5. COTED shall continuously review the Common External Tariff, in whole or in part, to assess its impact on production and trade, as well as to secure its uniform implementation throughout the Community, in particular, by reducing the need for discretionary application in the day

to day administration of the Tariff.

#### **ARTICLE 84** **Community Rules of Origin**

1. Subject to the provisions of this Article, goods that have been consigned from one Member State to a consignee in another Member State shall be treated as being of Community origin, where the goods:

- (a) have been wholly produced within the Community; or
- (b) have been produced within the Community wholly or partly from materials imported from outside the Community or from materials of undetermined origin by a process which effects a substantial transformation characterised:
  - (i) by the goods being classified in a tariff heading different from that in which any of those materials is classified; or
  - (ii) in the case of the goods set out in the List in Schedule I to this Treaty (hereinafter referred to as "the List"), only by satisfying the conditions therefor specified.

2. Goods that have been consigned from one Member State to a consignee in another Member State for repair, renovation or improvement shall, on their return to the Member State from which they were exported, be treated for the purpose of re-importation only, in like manner as goods which are of Community origin, provided that the goods are reconsigned directly to that Member State from which they were exported and the value of materials imported from outside the Community or of undetermined origin which have been used in the process of repair, renovation or improvement does not exceed:

- (a) in the case where the goods have undergone the process of repair, renovation or improvement in a More Developed Country, 65 per cent of the cost of repair, renovation or improvement;
- (b) in the case where the goods have undergone the process of repair, renovation or improvement in a Less Developed Country, 80 per cent of the cost of repair, renovation or improvement.

3. Where there is an interruption or inadequacy of supplies of regional materials and the manufacturer of goods, for which the qualifying condition for Community origin is that of "wholly produced" or "produced from regional materials", is unable by reason of circumstances beyond his control to obtain supplies of the regional materials, he shall so inform the competent authority.

4. The competent authority shall:

- (a) after receipt of information from the manufacturer, cause investigations to be made into the matter, and if he is satisfied that the representation from the manufacturer is justified, submit to the Secretary-General in the prescribed instrument an application for a certificate provided for in this Article;
- (b) at the time of making the application, inform the other Member States of the inability of the manufacturer to obtain the supplies of the required materials from within the Community with respect to quantities and specifications of the materials sought and the period during which the materials are required.

5. The Secretary-General shall, on receipt of the application from the competent authority:

- (a) *forthwith make the relevant enquiries by the quickest possible means from the competent authorities in the other Member States as to their ability to supply the materials required by the manufacturer; and*
- (b) *request a reply to the enquiry from each competent authority within seven calendar days of the despatch of his enquiry.*

6. *A competent authority shall reply to the enquiry referred to in paragraph 5 within the time specified.*

7. *Where the Secretary-General, on the basis of his investigations, is satisfied that the application received from the competent authority justifies favourable consideration, he shall, notwithstanding that he may not have received a reply to his enquiry from one or more Member States, within fourteen calendar days after the receipt of the application from the competent authority, issue, on behalf of COTED, a certificate to the competent authority authorising the use of like materials from outside the Community, subject to such conditions as he may think fit to impose.*

8. *The Secretary-General shall inform the Member States of the issue of his certificate, including any conditions attaching thereto and that notwithstanding anything to the contrary in the provisions of this Article, goods manufactured from like materials imported from outside the Community shall be deemed to be of Community origin.*

9. *A Member State may treat as of Community origin any imports consigned from another Member State, provided that the like imports consigned from any other Member State are accorded the same treatment. Member States concerned shall promptly inform COTED of any trading arrangements concluded pursuant to this paragraph and COTED may, as it thinks fit, recommend to the Member States concerned the adoption of alternative trading arrangements.*

10. *The provisions of Schedule I shall apply to and have effect for the purposes of this Article. COTED shall keep the Schedule and, in particular, the List under continuous review, and may amend the Schedule in order to ensure the achievement of the objectives of the Community.*

11. *The issue of a certificate in accordance with paragraph 7 shall be reported by the Secretary-General to COTED at the Meeting of COTED next following the date of issue thereof.*

#### **ARTICLE 85** **Export Promotion**

1. *COTED shall adopt appropriate measures for the promotion and export of goods and services.*

2. *In the implementation of measures to promote exports, COTED shall give consideration to:*

- (a) *the establishment and maintenance of effective trade information systems and services;*
- (b) *the design and implementation of trade facilitation programmes including the conduct of market research and the organisation of trade missions;*
- (c) *the co-ordination and support of the active participation of the Member States in international trade promotion fora, including trade fairs and exhibitions.*

#### **ARTICLE 86** **Freedom of Transit**

1. *The Member States shall grant freedom of transit within the Community with respect to goods and vessels and other vehicles transporting those goods.*

2. *For the purpose of paragraph 1 of this Article, transit means the passage of goods and of vessels and aircraft and vehicles transporting those goods:*

- (a) through or across the frontier of a Member State;*
- (b) with or without transshipment, warehousing, breaking bulk or change of mode of transport,*

*where the passage is only a portion of a journey beginning and terminating beyond its frontier.*

3. *In granting freedom of transit within the meaning of paragraph 2, the Member States:*

- (a) shall ensure that there are no unnecessary delays or restrictions and that goods, vessels, aircraft and vehicles transporting those goods are subject only to charges for transport, handling, and other services rendered;*
- (b) shall not discriminate based on the flag of vessels, place of origin, departure, entry, exit or destination or any circumstance relating to the ownership of goods, vessels, or aircraft or vehicles;*
- (c) shall, with respect to regulations, formalities, fees and other service charges in connection with the transit, ensure that treatment extended to any Member State is on terms no less favourable than those extended to all other Member States.*

## **ARTICLE 87**

### **Import Duties**

1. *Save as otherwise provided in this Treaty, Member States shall not impose import duties on goods of Community 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. *This Article does not apply to fees and similar charges commensurate with the cost of services rendered.*

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.*

## **ARTICLE 88**

### **Prohibition of Export Duties**

1. *The Member States shall not apply any export duties on goods of Community origin traded within the Community.*

2. *Nothing in this Article shall prevent a Member State from taking such measures as are necessary to prevent evasion of export duties which are applied to products destined for export outside of the Community where such products are re-exported through another Member State.*

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.*

#### **ARTICLE 89**

##### **Export Drawback**

1. *A Member State may refuse to treat as of Community origin goods which benefit from export drawback allowed by other Member States. In applying this paragraph, a Member State shall accord the same treatment to such goods consigned from all other Member States.*

2. *Whenever a Member State intends to apply an export drawback within the meaning of paragraph 6, it shall notify COTED.*

3. *The Member State shall, at the time of notification, set out the circumstances which justify the need to apply an export drawback, the products which will benefit therefrom, the nature and proposed duration of the measures, and such other information as COTED may prescribe from time to time.*

4. *COTED shall give its earliest consideration to the notification referred to in paragraph 3 and make a determination of the appropriateness of the measures and, if it is not satisfied, may recommend that the Member State which intends to apply an export drawback, modify the programme.*

5. *COTED shall review annually all export drawback programmes maintained by Member States.*

6. *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' 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 80 applies; and*
  - (ii) *any protective element in such fiscal charges;*
- (d) *'materials' shall have the meaning assigned to it in Rule I of Schedule I to this Treaty.*

#### **ARTICLE 90**

##### **Internal Taxes and Other Fiscal Charges**

1. *Save as otherwise provided in this Treaty, Member States shall not:*

- (a) *apply directly or indirectly to imported goods of Community origin 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 Community origin 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 COTED 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, consistently with sub-paragraph (a) of paragraph 1 of this Article. A 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 'fiscal charges' means internal taxes and other internal charges with equivalent effect on goods.*

#### **ARTICLE 91** **Quantitative Restrictions**

1. *Save as otherwise provided in this Treaty, and in particular Articles 88, 89 and 90, and in Schedules II, III and IV, a Member State shall not apply any quantitative restrictions on the importation of goods which are of Community origin.*

2. *Except as otherwise provided in this Treaty, and particularly in Articles 89 and 90, and in Schedule III, a Member State shall not apply any quantitative restrictions on exports to any other Member State.*

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 or exports to third States provided that less favourable treatment is not granted to Member States than to countries outside the Community.*

4. *"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.*

#### **ARTICLE 92** **Difficulties Occasioned by Particular Imports**

1. *Subject to Article 150, wherever imports of any product, including any primary agricultural product, into a Member State cause serious injury or the threat of serious injury to domestic producers of like or directly competitive products in any industry or specific sector of any industry, the importing Member State shall be free to impose restrictions in respect of such product if:*

- (a) *the import of the product in question results in a substantial decrease in demand for the like or directly competitive product produced within its jurisdiction; and*
- (b) *the decrease in demand is directly linked to an increase in imports consigned from another Member State.*

2. *Where a Member State decides to exercise its rights under paragraph 1, it may provisionally, until a determination by COTED is made:*

- (a) *limit imports of the product of Community origin by means of quantitative restrictions at a rate not less than the rate of such imports during any period of 12 months which ended 12 months before the date on which the restrictions entered into force;*
- (b) *take such other measures either instead of or in addition to quantitative restrictions in accordance with sub-paragraph (a) as COTED may authorise.*

3. *In applying the restrictions in accordance with paragraph 2, a Member State shall not discriminate among the sources of supply or the nationality of suppliers, and shall give consideration to the proportionate share of the market previously enjoyed by each Member State.*

4. *Where a Member State:*

- (a) *intends to act in accordance with paragraph 2, it shall, prior to taking such action, enter into consultations with affected Member States and notify COTED of that intention and the nature of the action;*
- (b) *is unable to comply with sub-paragraph (a) of this paragraph, it shall, in taking the action, immediately notify COTED of the application and the nature of the action.*

5. *The Member State at the time of taking such action in accordance with paragraph 2 shall submit to COTED:*

- (a) *such information as is reasonably available, including:*
  - (i) *the identity of the producers and the length of time during which the producers of the like or directly competitive product have been in production;*
  - (ii) *a complete description of the product and the annual volume of production;*
  - (iii) *an estimate of the size by volume of the domestic market, the share by volume in the domestic market of the domestic product, imports from other Member States and from third States;*
  - (iv) *information on changes in the level of sales and employment for the periods comparable to the periods during which imports have increased; and*
  - (v) *any other information as COTED may from time to time prescribe;*
- (b) *a programme setting out the measures to be taken to assist the domestic producers to alleviate the difficulties they face and to restore their position in the domestic market.*

6. *COTED shall give its earliest consideration to the submission made under paragraph 5, and:*

- (a) *make a determination of the appropriateness of the restrictions and whether they shall be continued;*
- (b) *where it decides that the restrictions shall be continued, determine the adequacy of the programme and the period for which the restrictions shall continue.*

7. *Restrictions applied by a Member State pursuant to paragraph 2 shall be confined to those necessary to forestall a threat of serious injury or otherwise eliminate injury.*

8. *The Member States in applying restrictions pursuant to paragraph 2 shall not discriminate and:*

- (a) shall progressively relax them as the relevant conditions improve;*
- (b) may maintain them only to the extent that the conditions mentioned in paragraph 1 of this Article continue to justify their application.*

9. *If a Member State has demonstrated that the imposition of measures by another Member State under paragraph 2 has caused injury or the threat of serious injury to domestic producers in its jurisdiction, then the first mentioned Member State may request consultation with the Member State maintaining the restrictions and notify COTED accordingly.*

10. *Where the consultations do not result in a mutually agreed solution, the matter may be referred to COTED for a determination.*

11. *If COTED is not satisfied that the Member States applying restrictions are acting in accordance with the provisions of paragraph 7, it may recommend to the Member State adversely affected thereby, alternative arrangements to the same end.*

### **ARTICLE 93**

#### **Government Assistance to Economic Development**

1. *Except as otherwise provided in this Treaty, a Member State shall not maintain or introduce:*

- (a) the forms of assistance to export of goods to any other part of the Community which are described in Schedule V; or*
- (b) any other forms of assistance, 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 Treaty.*

2. *If the application of any type of assistance 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 Treaty, COTED may authorise any Member State to suspend, in relation to the Member State which is applying the assistance, the application of such obligations under this Treaty as the COTED considers appropriate.*

3. *COTED may amend the provisions of Schedule V.*

### **ARTICLE 94**

#### **Public Undertakings**

1. *Except as otherwise provided in this Treaty, 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 and which would be inconsistent with this Treaty if achieved by means of a duty or charge with equivalent effect or quantitative restrictions or Government assistance; or*
- (b) trade discrimination on grounds of territorial origin in so far as it frustrates the benefits expected from the removal or absence of such charges, duties and quantitative restrictions as is required by this Treaty.*

2. *In so far as Article 92 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. *Where a public undertaking has introduced a measure or practice which:*

- (a) is inconsistent with paragraph 1; or*
- (b) in law or in effect, results in limiting access to any market, distorts competition or fair trade, or otherwise nullifies or impairs benefits expected from the establishment of the CSME,*

*then, in such a case, the aggrieved Member State may request consultations with the offending Member State and promptly notify COTED of the request.*

4. *The Member State alleged to have introduced a measure or practice within the meaning of paragraph 3 shall give favourable consideration to a request for consultations by the aggrieved Member State with a view to resolving their differences and arriving at a mutually acceptable solution.*

5. *If no mutually acceptable solution is reached within 30 days of the date of request for consultations, the aggrieved Member State may refer the matter to COTED, which shall cause an investigation to be carried out into the circumstance giving rise to the complaint; the investigation is to be completed within 60 days of the date of receipt of the complaint by COTED.*

6. *COTED shall, upon receipt of the report arising from the investigation, make available the report to the Member States concerned to facilitate consultations and to permit them to reach a mutually acceptable solution.*

7. *If no mutually acceptable solution is reached at the end of 15 days starting from the date of submission of the report by COTED to the parties concerned and COTED is satisfied that the rights of the aggrieved Member States under paragraph 1 have been unreasonably denied, then COTED shall request the offending Member State to withdraw the measure or practice, as the case may be.*

8. *If the offending Member State referred to in paragraph 7 fails to comply with the request of COTED within 60 days of the date thereof, then COTED may authorise the Member States to suspend, in relation to the Member State which is applying the measure or practice, the application of such provisions of this Treaty as COTED may decide.*

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

10. *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 Community.*

## **ARTICLE 95**

### **Co-operation in Customs Administration**

1. *The Member States shall co-operate with each other to ensure that their interpretation and application of Articles 82, 83, 84, 86, 87, 88, 89, 90, 93 and Schedule I are effectively and harmoniously applied, particularly with respect to provisions relating to:*

- (a) effective customs systems and procedures governing the movement of goods, people and conveyances across customs borders;*
- (b) maximising the effectiveness of co-operation among customs administrations and with international agencies to combat customs and*

*other cross-border offences.*

2. *The Member States undertake to establish harmonised customs legislation and customs procedures in accordance with the provisions of this Chapter.*

3. *COTED shall establish procedures for co-operation in customs administration as described in paragraph 1 of this Article.*

## **PART THREE SUBSIDIES**

### **ARTICLE 96 Determination of a Subsidy**

*For the purpose of this Part, a subsidy shall be deemed to exist if there is a financial contribution by a Government or any public body within the territory of a Member State (hereinafter referred to as "government") where:*

- (a) a government practice involves direct transfer of funds (e.g., grants, loans and equity infusion) or potential direct transfer of funds or liabilities (e.g., loan guarantees);*
- (b) government revenue that is otherwise due is foregone or not collected (e.g., fiscal incentives, such as tax credits);*
- (c) a government purchases goods or provides goods or services other than general infrastructure;*
- (d) a government makes payments to a funding mechanism, or directs or entrusts to a private body the conduct of activities mentioned in subparagraphs (a), (b) and (c) which are normally conducted by governments;*
- (e) there is any form of income or price support,*

*and a benefit is thereby conferred.*

### **ARTICLE 97 Types of Subsidies**

1. *A subsidy within the meaning of Article 96 shall be categorised as follows:*

- (a) a prohibited subsidy;*
- (b) a subsidy which:*
  - (i) causes injury to a domestic industry; or*
  - (ii) results in nullification or impairment of benefits accruing directly or indirectly to any Member State; or*
  - (iii) seriously prejudices the interests of any Member State; or*
- (c) a subsidy which causes serious adverse effects to a domestic industry of any Member State such as to cause damage which would be difficult to repair:*

*Provided that the subsidy is specific to an enterprise or industry or group of enterprises or industries within the jurisdiction of the granting Member State.*

2. *For the purpose of this Chapter a determination of whether a subsidy as defined in Article 92 is specific shall be governed by the following:*

- (a) *in order to determine whether a subsidy referred to in paragraph 1 of this Article is specific to an enterprise or industry or group of enterprises or industries (referred to in this Part as “certain enterprises”) within the jurisdiction of the granting authority, the following criteria shall apply:*
  - (i) *where the granting authority, or the legislation pursuant to which the granting authority operates, explicitly limits access to a subsidy to certain enterprises, such a subsidy shall be specific;*
  - (ii) *where the granting authority, or the legislation pursuant to which the granting authority operates, establishes objective criteria or conditions governing the eligibility for, and the amount of, a subsidy, specificity shall not exist, provided that the eligibility is automatic and that such criteria and conditions are strictly adhered to. The criteria or conditions must be clearly spelled out in law, regulation, or other official document, so as to be capable of verification;*
  - (iii) *if, notwithstanding any appearance of non-specificity resulting from the application of the principles laid down in sub-sub-paragraphs (i) and (ii), there are reasons to believe that the subsidy may in fact be specific, other factors may be considered. Such factors are: use of a subsidy programme by a limited number of certain enterprises, predominant use of certain enterprises, the granting of disproportionately large amounts of subsidy to certain enterprises, and the manner in which discretion has been exercised by the granting authority in the decision to grant a subsidy. In applying this sub-paragraph, account shall be taken of the extent of diversification of economic activities within the jurisdiction of the granting authority, as well as of the length of time during which the subsidy programme has been in operation;*
- (b) *a subsidy which is limited to certain enterprises located within a designated geographical region within the jurisdiction of the granting authority shall be specific. It is understood that the setting or change of generally applicable tax rates by all levels of government entitled to do so shall not be deemed to be a specific subsidy for the purposes of this Part;*
- (c) *any subsidy falling under the provisions of Article 99 shall be deemed to be specific;*
- (d) *any determination of specificity under the provisions of this Article shall be clearly substantiated on the basis of positive evidence.*

**ARTICLE 98**  
**Entitlement to Take Action**  
**Against Subsidised Products**

1. *A Member State may take action against subsidised products where:*

- (a) *the products have benefited from a prohibited subsidy;*
- (b) *the subsidy is specific and has caused any of the effects referred to in Article 112; and*
- (c) *the subsidy is specific and does not conform to the provisions of Article 108.*

2. *Notwithstanding the provisions of paragraph 1, a Member State shall not take definitive action against products which are believed to be benefitting from subsidies referred to in Article 97 if the Member State aggrieved thereby has not:*

- (a) *promulgated legislation to permit the introduction of counter measures or countervailing duties against subsidised imports;*
- (b) *consulted with the Member State which is alleged to have introduced or to be maintaining subsidies identified in Article 97;*
- (c) *notified COTED of the alleged subsidisation based on preliminary investigations and failure of consultations; and*
- (d) *received authorisation from COTED to introduce countervailing duties or countermeasures as a result of a definitive determination of the existence of prohibited subsidies which cause nullification, impairment, serious prejudice or adverse effects caused by subsidisation.*

3. *Consultations for the purposes of this Part shall follow the procedures set out in Annex II.*

## **ARTICLE 99**

### **Prohibited Subsidies**

1. *Subject to this Treaty, a Member State shall neither grant nor maintain subsidies referred to in paragraph 2.*

2. *The following subsidies within the meaning of Article 96 shall be prohibited:*

- (a) *subsidies contingent, in law or in fact, whether solely or as one of several other conditions, upon export performance, including those listed in Schedule V; and*
- (b) *subsidies contingent, whether solely or as one of several other conditions, upon the use of domestic over imported goods.*

3. *Nothing in this Article shall be construed as applying to agricultural commodities produced in the Community.*

## **ARTICLE 100**

### **Preliminary Investigation of Prohibited Subsidies**

1. *An application for an investigation may be made in writing by or on behalf of a domestic industry to the competent authority where the industry has reason to believe that a prohibited subsidy referred to in Article 99 has been granted or maintained by another Member State. The authority shall examine the application and determine, on the basis of the facts available, whether to initiate an investigation.*

2. *An investigation initiated pursuant to paragraph 1 of this Article shall be deemed to be a preliminary investigation. The authority shall give public notice of the preliminary investigation to inform the concerned Member State, other Member States and the interested parties all of whom shall be afforded adequate time to submit information required and to make comments.*

3. *The authority shall make a preliminary determination whether a prohibited subsidy has been granted or maintained and, where the determination is affirmative, invite the concerned Member States and interested parties to defend their interests.*

4. *A request for investigation by the domestic industry under this Article or under Article 106 or 112 shall be accompanied by information set out in the Illustrative List at Annex 111(a).*

5. *Wherever the term “domestic industry” is used in this Chapter, it shall mean domestic industry as defined in Annex I.*

#### **ARTICLE 101** **Request for Consultations Relating** **to Prohibited Subsidies**

1. *Whenever a Member State has reason to believe, pursuant to Article 99 that a prohibited subsidy has been granted or is maintained by a Member State, the aggrieved or any other Member State may request consultations with the Member State believed to be granting or maintaining the subsidy. The aggrieved Member State shall notify COTED of the request for consultations. A request for consultations shall include a statement of the available evidence with regard to the existence and nature of the alleged prohibited subsidy.*

2. *Upon receipt of a request for consultations under paragraph 1, the Member State believed to be granting or maintaining the subsidy shall reply within 10 days and shall furnish the relevant information requested and shall promptly enter into consultations which shall be concluded within 30 days of the date of request for such consultations unless the parties agree to extend the consultations to a mutually agreed date. The purpose of the consultations shall be to clarify the facts relating to the existence and type of the alleged subsidy and to arrive at a mutually agreed solution.*

#### **ARTICLE 102** **Reference to COTED to Investigate** **Prohibited Subsidies**

1. *If no mutually agreed solution is reached at the completion of 30 days from the date of the request for the consultations referred to in Article 101, or at such time as the parties agree, or if the Member State believed to be granting or maintaining the subsidy refuses to co-operate, the Member State requesting consultations or any other Member State interested in such consultations may refer the matter to COTED which shall carry out an investigation to establish whether the subsidy in question is a prohibited subsidy.*

2. *The referral of the matter to COTED for an investigation shall not prevent the aggrieved Member State from taking, on a provisional basis, which shall not be sooner than 60 days from the date of initiation of investigations under paragraph 1 of Article 103 counter-measures to forestall injury or to prevent further injury to its domestic industry.*

#### **ARTICLE 103** **Investigation by COTED of** **Prohibited Subsidies**

1. *Whenever COTED decides to carry out an investigation pursuant to Article 102, such an investigation by COTED shall proceed as expeditiously as possible. COTED may appoint competent experts to advise whether the subsidy falls to be classified as a prohibited subsidy, in which case COTED shall set a time limit for the examination of the evidence by the competent experts. COTED shall make its determination and issue its report which shall, unless extenuating circumstances arise, not exceed 90 days from the date of receipt of request for the investigation.*

2. *The results of an investigation carried out pursuant to Article 102 shall be made available to all Member States for information and to afford the concerned Member States an*

opportunity to arrive at a mutually agreed solution within 30 days from the date of issue of the report failing which COTED shall adopt the recommendations of the report.

3. If COTED is satisfied, based on the results of the investigation, that the subsidy in question is a prohibited subsidy and that the concerned Member States cannot reach a mutually agreed solution, it shall, subject to Article 104, require the offending Member State to withdraw the subsidy within a specified time-frame. Where the offending Member State fails to comply, COTED shall authorise the aggrieved Member State to take counter-measures on the products which benefit from such a subsidy.

#### **ARTICLE 104**

##### **Withdrawal of Prohibited Subsidies**

1. Notwithstanding the investigation confirming the existence of a prohibited subsidy in paragraph 3 of Article 103, COTED shall not impose a requirement for the Member States to withdraw such a subsidy sooner than specified in this paragraph as follows:

- (a) with respect to subsidies contingent upon export performance:
  - (i) the Member States with per capita GNP of less than one thousand United States dollars shall be allowed to maintain such subsidies; and
  - (ii) other Member States shall be allowed to maintain such subsidies until 1 January 2003;
- (b) with respect to subsidies contingent upon the use of domestic over imported inputs, the Member States with per capita GNP of less than one thousand United States dollars shall be allowed to maintain such subsidies until 2003.

2. Whenever the results of an investigation by COTED prove that the alleged subsidy is not a prohibited subsidy, any provisional countervailing measures which might have been imposed shall be promptly withdrawn and any bond or deposit which might have been effected, released or refunded, as the case may be. If the provisional measures referred to in this paragraph have materially retarded the exports of the Member State which was wrongfully alleged to have introduced or maintained prohibited subsidies, COTED shall, upon application from such a Member State, assess the effects of the provisionally applied measures and determine the nature and extent of compensation which is warranted and recommend compensation in accordance with its assessment.

3. From the date of entry into force of this Treaty until the expiration of the dates mentioned in paragraph 1, no provisional measures shall be imposed where it has been determined by preliminary investigations that prohibited subsidies are maintained.

#### **ARTICLE 105**

##### **Subsidies Causing Injury, Nullification, Impairment or Serious Prejudice**

A Member State may take action against subsidised imports from any other Member State where it can be established, based on an investigation, that the effect of the subsidy has been:

- (a) injury to its domestic industry;
- (b) nullification or impairment of benefits which it expects under this Treaty; or
- (c) serious prejudice to its interests.

2. Serious prejudice shall be deemed to exist in the case where:

- (a) *the total ad valorem subsidisation of a product exceeds 5 per cent;*
- (b) *subsidies cover operating losses sustained by an industry;*
- (c) *subsidies cover operating losses sustained by an enterprise, other than one-time measures which are non-recurrent and cannot be repeated for that enterprise and which are given merely to provide time for the development of long-term solutions and to avoid acute social problems; or*
- (d) *subsidies are granted in the form of forgiveness of government-held debt and government grants to cover debt repayment.*

3. *Notwithstanding the provisions of this Article, serious prejudice shall not be found if the Member State granting the subsidy in question demonstrates that the effect of the subsidy has not been:*

- (a) *to displace or impede the imports of like products from the Member State exporting to the Member State which has introduced or maintains the subsidy;*
- (b) *to displace or impede the exports of a like product from the affected exporting Member State into the market of a third Member State;*
- (c) *a significant price undercutting by the subsidised product as compared with the price of a like product of another Member State in the same market or a significant price suppression or price depression;*
- (d) *lost sales of another Member State in the same market; or*
- (e) *an increase in its market share within the CSME.*

4. *The provisions of this Article shall not apply to Part Three.*

#### **ARTICLE 106**

##### ***Preliminary Investigation of Subsidies Causing Injury, Nullification, Impairment or Serious Prejudice***

1. *An application for an investigation may be made in writing by or on behalf of a domestic industry to the national authority where the industry has reason to believe that a subsidy referred to in Article 105 has been granted or is maintained by another Member State and has caused injury, or resulted in nullification, impairment or serious prejudice to its interests.*

2. *An application under paragraph 1 shall include sufficient information about the existence of a subsidy and, if possible, its amount, injury and a causal link between the subsidised products and the alleged injury.*

3. *An application to initiate an investigation shall be considered to have been made by or on behalf of a domestic industry if it is supported by those domestic producers whose collective output constitutes more than 50 per cent of the total production of the like product by that proportion of the domestic industry expressing support for or opposition to the application. The investigation shall not be initiated where the domestic producers expressly supporting the application account for less than 25 per cent of the total production of the like product produced by the domestic industry.*

4. *Upon receipt of a request for such an investigation, the authority shall examine the application and determine, on the basis of the facts available, whether to initiate an investigation. If the authority decides to initiate an investigation, it shall issue a public notice to that effect, invite the concerned Member State, other interested Member States and interested parties to submit required information and comments.*

5. *An investigation initiated pursuant to paragraph 1 shall be deemed to be a preliminary investigation. The authority shall inform the concerned Member State and all interested parties of the results of the investigation.*

6. *For the purpose of this Part, "like product" shall be interpreted to mean a product which is identical, i.e., alike in all respects to the product under consideration, or in the absence of such a product, another product, which, although not alike in all respects, has characteristics closely resembling those of the product under consideration.*

#### **ARTICLE 107**

##### ***Request for Consultations Relating to Subsidies Causing Injury, Nullification, Impairment or Serious Prejudice***

1. *Whenever a Member State has reason to believe that a subsidy within the meaning of Article 96 has been granted or is maintained by another Member State, and that imports from such a Member State have resulted in any of the effects mentioned in paragraph 1(b) of Article 97, the first-mentioned Member State may approach the Member State believed to be granting a subsidy with a request for consultations.*

2. *A request for consultations shall include a statement of available evidence with regard to -*

- (a) the existence and nature of the subsidy; and*
- (b) the injury caused to the domestic industry; or*
- (c) the impairment or nullification of benefits of exporting to other Member States in the Community; or*
- (d) serious prejudice to its interests.*

3. *Upon receipt of a request for consultations under paragraph 1, the Member State believed to be granting or maintaining the subsidy shall reply within 10 days, and shall furnish relevant information and enter into consultations within 30 days of the date of the request. The purpose of the consultations shall be to clarify the facts relating to the existence, type and effect of the alleged subsidy and to arrive at a mutually agreed solution.*

#### **ARTICLE 108**

##### ***Reference to COTED to Investigate Subsidies Causing Injury, Nullification, Impairment or Serious Prejudice***

1. *If no mutually agreed solution is reached at the completion of 60 days from the date of request for consultations, or on a date mutually agreed, the Member State requesting consultations may refer the matter to COTED which shall initiate an investigation, make a determination to resolve the dispute and issue a report within 120 days of the date of the request for an investigation by the aggrieved Member State.*

2. A decision by COTED to initiate an investigation shall not prevent the aggrieved Member State from taking, on a provisional basis, countermeasures which shall not be sooner than 60 days from the date of initiation of a preliminary investigation by the national authority to forestall or prevent further adverse effects.

**ARTICLE 109**  
**Investigation by COTED of Subsidies Causing Injury,  
Nullification, Impairment or Serious Prejudice**

1. In order to arrive at a determination of the existence, degree and effect of subsidisation, and remedial action which may be taken pursuant to the referral of a complaint of alleged subsidisation mentioned in Article 108, COTED shall -

- (a) carry out an investigation into the circumstances relating to the alleged grant or maintenance of the subsidy by the offending Member State; the investigation is to be completed within 120 days of the date of receipt of a complaint regarding alleged subsidisation by an offending Member State; and
- (b) upon receipt of the report arising from the investigation, promptly make available the report to the concerned Member States to facilitate consultation and to permit the Member states concerned to arrive at a mutually acceptable solution.

**ARTICLE 110**  
**Consequences of Failure to Remove Subsidies Causing  
Injury, Nullification, Impairment or Serious Prejudice**

1. If no mutually acceptable solution is reached within 30 days of the date of issue of the report by COTED, and COTED is satisfied:

- (a) of the existence of a subsidy within the meaning of Article 105; and
- (b) that the subsidy has caused injury to the enterprise in the aggrieved Member State; or
- (c) that the subsidy has impaired or nullified benefits expected of the aggrieved Member State with respect to its exports to the Community; or
- (d) that the effect of the subsidy was to seriously prejudice the interests of the Member State,

then in such a case, COTED shall request the Member State which has granted or maintained the subsidy to take appropriate steps to remedy the effects of the subsidy within six months of the date of the issue of the report by COTED.

2. If, at the end of the period of six months allowed by COTED to the Member State granting or maintaining the subsidy to remedy the effects of the subsidy, the Member State fails to comply and in the absence of agreement on compensation COTED shall authorise the aggrieved Member State to impose countervailing duties at a rate equivalent to the amount of subsidisation for such time and under such conditions as COTED may prescribe.

**ARTICLE 111**  
**Types of Subsidies Causing Serious Adverse Effects**

1. The Member States shall not ordinarily impose or introduce countervailing duties or take countermeasures on products which benefit from:

- (a) *subsidies which are not specific within the meaning of Article 97; or*
- (b) *subsidies which are specific within the meaning of Article 97 but which satisfy all of the conditions set out in this sub-paragraph hereunder:*
  - (i) *subsidies granted for research activities conducted by enterprises or by higher education or research establishments on a contract basis with firms if the assistance covers not more than 75 per cent of the costs of industrial research or 50 per cent of the costs of pre-competitive development activity and provided that such assistance is limited exclusively to:*
    - (aa) *costs of personnel (researchers, technicians and other supporting staff employed exclusively in the research activity);*
    - (bb) *costs of instruments, equipment, land and buildings used exclusively and permanently (except when disposed of on a commercial basis) for the research activity;*
    - (cc) *costs of consultancy and equivalent services used exclusively for the research activity, including bought-in research, technical knowledge, patents, etc.;*
    - (dd) *additional overhead costs incurred directly as a result of the research activity;*
    - (ee) *other running costs (such as those of materials, supplies and the like), incurred directly as a result of the research activity.*
- (c) *subsidies granted to assist disadvantaged regions within the territory of a Member State given pursuant to a general framework of regional development and that are non-specific within eligible regions provided that:*
  - (i) *each disadvantaged region must be a clearly designated contiguous geographical area with a definable economic and administrative identity;*
  - (ii) *the Region is considered as disadvantaged on the basis of neutral and objective criteria, indicating that the region's difficulties arise out of more than temporary circumstances; such criteria must be clearly spelled out in law, regulation, or other official document, so as to be capable of verification;*
  - (iii) *the criteria shall include a measurement of economic development which shall be based on at least one of the following factors:*
    - (aa) *one of either income per capita or household income per capita, or GDP per capita, which must not be above 85 per cent of the average for the territory concerned;*
    - (bb) *unemployment rate, which must be at least 110 per cent of the average for the territory concerned;*
- (d) *subsidies granted to assist entities in the adaptation of existing facilities to new environmental requirements imposed by law and/or regulations which*

*result in greater constraints and financial burden on enterprises provided that the subsidies -*

- (i) are a one-time non-recurring measure; and*
  - (ii) are limited to 20 per cent of the cost of adaptation; and*
  - (iii) do not cover the cost of replacing and operating the assisted investment, which must be fully borne by firms; and*
  - (iv) are directly linked to and proportionate to a firm's planned reduction of nuisances and pollution, and do not cover any manufacturing cost savings which may be achieved; and*
  - (v) are available to all firms which can adopt the new equipment and/or production processes.*
- (e) subsidies granted to assist enterprises to undertake training or retraining of employees, whether or not the enterprise is new, and the upgrading of existing facilities to facilitate transition to competitive status within the Community, provided that such subsidies are not specific.*

*2. The Member States shall notify COTED of any subsidy mentioned in paragraph 1. Any Member State may request further information regarding a notified subsidy programme and COTED shall review annually all notified subsidies referred to in paragraph 1.*

#### **ARTICLE 112** **Preliminary Investigation of Subsidies** **Causing Serious Adverse Effects**

*1. A domestic industry may submit to the competent authority an application for an investigation to verify that serious adverse effects have been caused by imports which benefit from subsidies referred to in Article 111.*

*2. Upon receipt of an application for an investigation to verify adverse effects, the authority shall examine the application, and, on the basis of the available facts, determine whether to initiate an investigation.*

*3. The investigation referred to in paragraph 2 shall be deemed a preliminary investigation. The authority shall give public notice of its decision to initiate a preliminary investigation and the concerned Member State, other interested Member States, and the interested persons shall all be invited to provide relevant information and make comments.*

*4. The results of the preliminary investigation shall be made available to the concerned Member State, other interested Member States and the interested persons to enable them to defend their interests.*

#### **ARTICLE 113** **Request for Consultations Relating to Subsidies** **Causing Serious Adverse Effects**

*1. Whenever a Member State has reason to believe that imports from another Member State benefited from subsidies within the meaning of Article 111 and such imports have resulted in serious adverse effects to a domestic industry so as to cause damage which would be difficult to repair, the Member State aggrieved may request consultations with the Member State granting or maintaining the subsidy.*

2. The Member State alleged to be granting the subsidy which caused adverse effects shall reply within 10 days of the date of the request for consultations and shall enter into the consultations requested by the aggrieved Member State. If there is no mutual agreement within 60 days of the date of the request for such consultations or on a later date which was mutually agreed or if the Member State refuses to co-operate, the aggrieved Member State may refer the matter to COTED and request COTED to carry out an investigation.

**ARTICLE 114**  
**Investigation by COTED of Subsidies**  
**Causing Serious Adverse Effects**

1. The referral of the matter to COTED for an investigation shall not prevent the aggrieved Member State from imposing on a provisional basis not sooner than 60 days from the date of initiation of the preliminary investigation referred to in Article 106, countermeasures to forestall or prevent further adverse effects.

2. If COTED is satisfied that the investigation requested is justified, COTED shall carry out the investigation, make a determination and issue a report within 120 days from the date when the request was referred.

3. Where the results of the investigation carried out by COTED demonstrate that the subsidised imports caused serious adverse effects to the domestic industry of the aggrieved Member State requesting the investigation, COTED shall recommend that the offending Member State modify the programme of subsidies in such a way as to remove the adverse effects complained of.

**ARTICLE 115**  
**Consequences of Failure to Eliminate or**  
**Establish Adverse Effects of Subsidies**

1. If the offending Member State fails to implement the recommendations of COTED within 6 months of the date of issue of the report referred to in paragraph 2 of Article 114, COTED shall authorise the aggrieved Member State to impose appropriate countervailing duties commensurate with the nature and degree of serious adverse effects determined to exist.

2. Whenever the results of an investigation by COTED prove that serious adverse effects have not been caused by subsidised imports referred to in paragraph 1 of Article 111, the Member State alleging that its domestic industry has suffered serious adverse effects shall promptly refund any duties which might have been provisionally imposed and where such provisional duties had materially retarded the exports of the Member State complained against, COTED shall, upon application from such State, assess the effects of the provisionally applied duties and determine the nature and extent of compensation which is warranted and require compensation in accordance with its assessment.

**ARTICLE 116**  
**Imposition of Provisional Measures**  
**and Countervailing Duties**

1. Notwithstanding anything to the contrary in this Chapter, a Member State aggrieved by the application or maintenance of prohibited subsidies or by subsidies which cause injury, or result in nullification, impairment, or serious prejudice, or cause serious adverse effects, as the case may be, shall introduce provisional measures only on the basis of the following rules:

- (a) Provisional measures may be applied only if -
  - (i) a preliminary investigation has been initiated in accordance with the provisions of this Chapter, a public notice has been given to that effect and interested persons have been given adequate

*opportunities to submit information and make comments;*

- (ii) an affirmative preliminary determination has been made of the existence of a prohibited subsidy, or a subsidy causing injury, nullification, impairment, serious prejudice, or a subsidy causing serious adverse effects, as the case may be;*
- (iii) consultations were requested and undertaken, COTED was notified and requested to investigate and the authorities concerned judge such measures necessary to prevent injury being caused during the investigation;*
- (b) Provisional measures may take the form of provisional countervailing duties guaranteed by cash deposits or bonds equal to the amount of the subsidisation calculated on a provisional basis;*
- (c) Provisional measures shall not be applied sooner than 60 days from the date of initiation of the preliminary investigation;*
- (d) The application of provisional measures shall be limited to as short a period as possible, not exceeding 120 days.*

*2. Where investigations by COTED continue beyond the period allowed for the maintenance of provisional measures under sub-paragraph 1(d), the Member State imposing the measures may continue with such measures until a definitive determination is made by COTED.*

*3. The Member States which are parties to an investigation to verify the existence and the effect of alleged subsidisation, may seek or accept, as the case may be, undertakings from the Member State alleged to have granted or to be maintaining a subsidy. Undertakings may take the form of:*

- (a) withdrawal, or limiting the amount of, the subsidy to such an extent that injury, nullification, impairment, serious prejudice or serious adverse effects, as the case may be, are eliminated; or*
- (b) a guarantee from the exporter benefiting from the subsidy to raise his price to such an extent that the injurious effect is eliminated.*

*4. If a Member State accepts a voluntary guarantee pursuant to sub-paragraph 3(b), then the accepting Member State shall notify COTED and promptly suspend proceedings, and any provisional measures which may have been imposed shall be withdrawn with immediate effect.*

*5. In the event that investigations to determine subsidisation have been concluded and the evidence proves injury, nullification, impairment or serious prejudice, or serious adverse effects, as the case may be, a Member State may impose countervailing duties retroactively to account for the entire period during which provisional measures have been in force. Such retroactively applied duties shall take into account the definitively assessed countervailing duties and the amount guaranteed by cash deposit or bond and:*

- (a) where the definitive countervailing duties are higher than the provisional duties, the difference shall not be collected;*
- (b) where the definitive countervailing duties are lower than the provisional duties, the excess of the deposit shall be refunded or the bond released promptly.*

*6. No Member State shall impose countervailing duties other than provisional countervailing duties without prior authorisation from COTED and the determination and imposition*

*of definitive countervailing duties shall be governed by the relevant provisions of the WTO Agreement on Subsidies and Countervailing Measures.*

7. *COTED shall keep under review all counter-measures imposed by the Member States and shall ensure that the Member States observe the conditions and timetable for review and withdrawal of counter-measures that it may have authorised.*

8. *The Member States undertake to co-operate in establishing harmonised legislation and procedures in accordance with the provisions of this Chapter.*

## **PART FOUR SUBSIDIES TO AGRICULTURE**

### **ARTICLE 117 Definition**

1. *For the purpose of this Part, an agricultural subsidy means any form of domestic support, financial or otherwise, including revenue foregone, provided by government or any public agency in favour of the producers of a specific agricultural product or to the agricultural sector as a whole. This includes:*

- (a) assistance provided by government or any public agency to foster agricultural and rural development or to assist low income producers or producers with deficient resources;*
- (b) financial concessions granted by government or a public agency to offset the cost of agricultural inputs or to encourage investments in agriculture;*
- (c) any other financial concession which has the effect of providing price or income support to producers of agricultural products which is administered either through direct payments to the producers or processors of an agricultural product or indirectly through government or other publicly funded programmes;*
- (d) payments in kind to agricultural producers.*

2. *“Agricultural products” refers to the products listed in Annex IV.*

### **ARTICLE 118 Rights**

*Having regard to the general use of subsidies in Member States to encourage agricultural and rural development, to promote investments in agriculture generally and to assist low-income or resource-poor producers, Member States may grant subsidies to meet those objectives, consistently with their obligations under international agreements and subject to the provisions of this Part.*

### **ARTICLE 119 Obligations**

1. *Notwithstanding the right to grant subsidies indicated in Article 118, a Member State shall not use such subsidies in a manner to distort the production of and intra-regional trade in the product or products benefiting from such subsidies.*

2. *Accordingly, subsidies provided by a Member State to agriculture shall not involve*

*transfers from consumers, or direct payments to producers or processors which would have the effect of providing price support to producers.*

3. *Subsidies provided by a Member State to agriculture shall be made through publicly funded programmes which benefit the agricultural sector generally, in areas such as research, training, extension and advisory services, pest and disease control, inspection services, marketing and promotion services and infrastructural services.*

4. *Where a Member State makes direct payments of a subsidy to agricultural producers or processors through such schemes as crop insurance, disaster relief, income safety-net programmes, regional assistance programmes and structural adjustment assistance programmes, the Member State shall ensure that these payments, whether financial or otherwise, have no or minimal production and trade distortion effect and do not constitute price support to producers of the product or products benefitting from the use of such schemes.*

## **ARTICLE 120**

### **Regulation**

1. *Any subsidy provided by a Member State in favour of the production of an agricultural product entering regional trade, except for the provision of general services programmes or direct payments satisfying the conditions stated in Article 119, shall not exceed 10 per cent of the total value of that Member State's annual production of such tradeable agricultural product in any one year.*

2. *Any subsidy provided by a Member State in favour of agricultural producers or processors in general, except for the provision of general services programmes or direct payments satisfying the conditions stated in Article 119, shall not exceed 10 per cent of the total value of that Member State's annual total agricultural output, in any one year.*

3. *Where a Member State provides a subsidy, except for the provision of general services programmes or direct payments satisfying the conditions stated in Article 119, in excess of the levels prescribed in paragraphs 1 and 2, such a subsidy shall be considered as a subsidy causing injury, nullification, impairment or serious prejudice.*

## **ARTICLE 121**

### **Discipline**

1. *Each Member State shall ensure that any subsidy in favour of agricultural producers conforms with the provisions of Article 119 and Article 120.*

2. *Any subsidy in favour of agricultural producers that cannot be shown to satisfy the provisions in Article 119 and Article 120, shall be subject to the provisions of Article 106 to Article 110 inclusive.*

3. *A subsidies programme undertaken in conformity with the provisions of this Part shall be subject to action based on Article 106 to 110 inclusive where a determination of injury or threat thereof is made in accordance with the provisions of this Part.*

4. *In the determination of a threat of injury, the investigating authorities shall consider, inter alia, such factors as:*

- (i) the nature of the subsidy or subsidies in question and the trade effects likely to arise therefrom;*
- (ii) a significant rate of increase of subsidised imports into the domestic market indicating the likelihood of substantially increased importations;*
- (iii) sufficient freely disposable or an imminent, substantial increase in capacity of the exporter indicating the likelihood of substantially increased subsidised*

*exports to the importing country's market, taking into account the availability of other export markets to absorb any additional exports;*

- (iv) whether imports are entering at prices that will have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports;*
- (v) inventories of the product being investigated.*

#### **ARTICLE 122** **Due Restraint**

*Where it has been determined that a subsidy causes injury or threatens to cause such injury, in accordance with the provisions of this Part, the aggrieved Member State shall exercise due restraint in initiating any action in retaliation.*

#### **ARTICLE 123** **Notification**

1. *The Member States shall notify COTED of any subsidy programme pursuant to Article 117 prior to implementation.*

2. *In addition to the notification to be submitted under this Article, any new subsidy or modification of an existing measure shall be notified promptly. This notification shall contain details of the new or modified subsidy and its conformity with the agreed criteria as set out in Article 116 and Article 120.*

3. *Any Member State may bring to the attention of COTED any measure which it considers ought to have been notified by another Member State.*

#### **ARTICLE 124** **Review**

*COTED shall undertake a review of the implementation of the provisions on subsidies to agriculture on the basis of notifications of the subsidies programmes submitted by the Member States, as well as on the basis of any other documentation which the COTED may request to be prepared to facilitate its review.*

### **PART FIVE** **DUMPING**

#### **ARTICLE 125** **Action Against Dumping**

*A Member State may take action against dumped imports if such imports cause injury or pose a serious threat of injury to a domestic industry.*

#### **ARTICLE 126** **Determination of Dumping**

1. *For the purpose of this Part, a product is to be considered to be a dumped import where it is introduced into the commerce of another country at less than its normal value if the export*

*price of the product exported from one Member state to another Member State is less than the comparable price, in the ordinary course of trade, for the like product when destined for consumption in the exporting Member State.*

2. *When there are no sales of the like product in the ordinary course of trade in the domestic market of the exporting country or when, because of the particular market situation or the low volume of the sales in the domestic market of the exporting country, such sales do not permit a proper comparison, the margin of dumping shall be determined by comparison with a comparable price of the like product when exported to an appropriate third country, provided that this price is representative, or with the cost of production in the country of origin plus a reasonable amount for administrative, selling and general costs and for profits.*

3. *In cases where there is no export price or where it appears to the authorities concerned that the export price is unreliable because of association or a compensatory arrangement between the exporter and importer or a third party, the export price may be constructed on the basis of the price at which the imported products are first resold to an independent buyer, or if the products are not resold to an independent buyer, or not resold in the condition as imported, on such reasonable basis as the authorities may determine.*

4. *A fair comparison shall be made between the export price and the normal value. This comparison shall be made at the same level of trade, normally at the ex-factory level, and in respect of sales made at as nearly as possible the same time. Due allowance shall be made in each case, on its merits, for differences which affect price comparability, including differences in conditions and terms of sale, taxation, levels of trade, quantities, physical characteristics, and any other differences which are also demonstrated to affect price comparability. In the cases referred to in paragraph 3, allowances for costs, including duties and taxes incurred between importation and resale, and for profits accruing, should also be made. If in these cases price comparability has been affected, the authorities shall establish the normal value at a level of trade equivalent to the level of trade of the constructed export price, or shall make due allowance as warranted under this paragraph. The authorities shall indicate to the parties in question what information is necessary to ensure a fair comparison and shall not impose an unreasonable burden of proof on those parties.*

5. *In the case where products are not imported directly from the country of origin but are exported to the importing Member from an intermediate country, the price at which the products are sold from the country of export to the importing Member shall normally be compared with the comparable price in the country of export. However, comparison may be made with the price in the country of origin, if, for example, the products are merely transshipped through the country of export, or such products are not produced in the country of export, or there is no comparable price for them in the country of export.*

6. *For the purpose of this Part, "like product" shall be interpreted to mean a product which is identical, i.e., alike in all respects to the product under consideration, or in the absence of such a product, another product, which, although not alike in all respects, has characteristics closely resembling those of the product under consideration.*

## **ARTICLE 127**

### **Determination of Injury**

1. *For the purpose of this Part, injury shall, unless otherwise specified, be taken to mean material injury to a domestic industry, threat of material injury to a domestic industry or material retardation of the establishment of such an industry.*

2. *A determination of injury within the meaning of paragraph 1 shall be based on positive evidence and involve an objective examination of:*

- (a) *the volume of the dumped imports and the effect of such imports on prices in the domestic market for like products; and*
- (b) *the consequent impact of the dumped imports on domestic producers of*

such products.

3. In making a determination regarding the existence of a threat of material injury, the competent authorities shall consider, *inter alia*:

- (e) a significant rate of increase of dumped imports into the domestic market indicating the likelihood of substantially increased importation;
- (b) sufficient freely disposable, or an imminent, substantial increase in, capacity of the exporter indicating the likelihood of substantially increased dumped exports to the importing Member's market taking into account the availability of other export markets to absorb any additional exports;
- (c) whether imports are entering at prices that will have a significant depressing or suppressing effect on domestic prices, and would likely increase demand for further imports; and
- (d) inventories of the product being investigated.

#### **ARTICLE 128**

##### **Definition of Domestic Industry**

For the purpose of this Part, the term "domestic industry" means "domestic industry" as defined in Annex I.

#### **ARTICLE 129**

##### **Initiation of Preliminary Investigations**

1. If a domestic industry in a Member State has reason to believe that it is being injured or faces the threat of injury as a result of dumped imports, an application may be submitted in writing by the industry or on its behalf by an association representing the industry or by employees employed by the producers of the like product to the competent authority to initiate an investigation in order to verify the existence of dumped imports and injury caused or the existence of a serious threat of injury as the case may be.

2. The application shall be considered to have been made by or on behalf of the domestic industry if it is supported by those domestic producers whose collective output constitutes more than 50 per cent of the total production of the like product produced by that portion of the domestic industry expressing either support for or opposition to the request. However, no investigation shall be initiated when domestic producers expressly supporting the request account for less than 25 per cent of total production of the like product produced by the domestic industry.

3. The authority shall examine the application and determine if an investigation is justified and if it is satisfied, it shall issue a public notice to that effect and request the concerned Member State, other interested Member States and the interested parties, all of which may be requested to and shall be afforded an opportunity to provide required information and comments.

4. A decision by the authority to initiate an investigation shall be considered a decision to initiate a preliminary investigation, the results of which shall be made available by a public notice.

5. Where a preliminary investigation provides sufficient evidence that dumped imports have entered into the commerce of the Member State and such imports seriously threaten or have injured a domestic industry, it may submit to the competent authority of the exporting Member State a request for consultations which shall be notified to COTED.

6. The purpose of the request for consultations shall be to establish whether imports have been dumped and injury has been caused or there is a serious threat of injury and if the injury or the serious threat thereof is directly the result of dumped imports.

7. Interested parties who have been requested to provide information shall be allowed 30 days from the date of submission of the application by or on behalf of a domestic industry under paragraph 2 to reply unless the authorities concerned agree to a later date.

8. For the purpose of this Part, "interested parties" shall include:

- (a) an exporter or foreign producer or the importer of a product subject to investigation, or a trade or business association, a majority of the members of which are producers, exporters or importers of such product;
- (b) the government of the exporting Member State; and
- (c) a producer of the like product in the importing Member State or a trade and business association, a majority of the members of which produce the like product in the territory of the importing Member State.

9. A request for investigations to be undertaken by the competent authority of a Member State or by COTED shall include but shall not necessarily be limited to the information indicated in the Illustrative List set out in Annex III(b). If, however, an aggrieved Member State is satisfied that the offending party had not made satisfactory efforts to afford consultations, to provide requested information or otherwise unreasonably impede an investigation which has been initiated, the competent authority of the Member State aggrieved may impose on a provisional basis anti-dumping measures and may refer the request for investigation to COTED. A public notice of the imposition of provisional anti-dumping measures shall be issued by the Member State which has imposed such measures.

### **ARTICLE 130** **Provisional Measures**

1. Provisional measures may be applied only if -

- (a) an investigation has been initiated in accordance with the provisions of paragraph 4 of Article 129, a public notice has been given to that effect and interested parties have been given adequate opportunities to submit information and make comments;
- (b) a preliminary affirmative determination has been made of dumping and consequent injury to a domestic industry; and
- (c) the authorities concerned judge such measures necessary to prevent injury being caused during the investigation.

2. Provisional measures may take the form of a provisional duty or preferably, a security - by cash deposit or bond - equal to the amount of the anti-dumping duty provisionally estimated, being not greater than the provisionally estimated margin of dumping. Withholding of appraisement is an appropriate provisional measure, provided that the normal duty and the estimated amount of the anti-dumping duty be indicated and as long as the withholding of appraisement is subject to the same conditions as other provisional measures.

3. Provisional measures shall not be applied sooner than 60 days from the date of initiation of the investigation by a competent authority.

4. The application of provisional measures shall be limited to as short a period as possible, not exceeding 120 days or, on decision of the authorities concerned, upon request by exporters representing a significant percentage of the trade involved, to a period not exceeding 180 days. When authorities, in the course of an investigation, examine whether a duty lower than the margin of dumping would be sufficient to remove injury, these periods may be 180 and 270 days, respectively.

**ARTICLE 131**  
**Conduct of Investigations leading to**  
**Definitive Determination of Injury**

1. Whenever COTED receives a request for investigation, referred to it under paragraph 9 of Article 126, COTED shall determine whether the information accompanying the request justifies the continuation of investigations and if it is satisfied, cause an investigation to be completed within 12 months but not longer than 18 months after the date of receipt of the request. If COTED is not satisfied that there is sufficient justification to initiate an investigation, it shall inform the applicant in writing of its refusal to investigate.

2. Investigations initiated either by a competent authority of a Member State or undertaken by COTED shall be terminated promptly whenever:

- (a) the margin of dumping is determined to be less than two per cent; and
- (b) the volume of dumped imports from a particular country is less than three per cent of imports of the like product in the importing Member State, unless countries which individually account for less than three per cent of the imports of the like product into the importing Member State collectively account for more than seven per cent of the imports of the like product in the importing Member State,

and a public notice of the termination of investigations under this paragraph shall be made by the Member State terminating investigations or by COTED, as the case may be.

3. The Member States recognise that an investigation into the circumstances of alleged dumping based on a request by another Member State on behalf of a domestic industry will require the full co-operation of the competent authority and the parties alleged to be responsible for dumped imports, in the Member State from which such imports originated, all of whom shall provide relevant information in the time specified in this Article.

4. In the conduct of an investigation to determine the existence and effect of dumped imports, competent authorities of the Member States and the parties concerned shall observe the rights of the parties providing information with regard to confidentiality of any information provided and shall not disclose any such information without the prior written approval of the parties providing the information.

5. Where an industry within the CSME has suffered injury or faces the threat of serious injury based on evidence of dumped imports by third States, the competent authority for requesting investigation on behalf of the affected industry shall be COTED.

6. Nothing in this Article shall be construed so as to prevent an injured party or a Member State from initiating and proceeding with an investigation into alleged dumping having regard to the rights of such parties under international agreements to which they are signatories.

**ARTICLE 132**  
**Co-operation by Competent Authorities**  
**and Interested Parties**

1. Where an applicant for an investigation who receives information pursuant to dumping investigations requires verification of the information, the competent authority and the parties alleged to be responsible for dumped imports shall co-operate in allowing the applicant to carry out verifications in the offending Member State.

2. The results of any investigations carried out by a competent authority of a Member State aggrieved or by COTED shall be disclosed promptly to the competent authority and the parties alleged to be responsible for dumped imports in the offending Member State. A public notice of the conclusions of the investigations shall be issued by the Member State or by COTED, as the case may

be.

3. *The purpose of the disclosure referred to in paragraph 2 shall be to present the facts of the case and to allow the parties alleged to be responsible for the dumped imports to defend their interests.*

**ARTICLE 133**  
***Imposition of Anti-Dumping Measures***

1. *COTED shall, after consideration of the available evidence and having been satisfied of the existence of dumped imports, injury caused by dumped imports or the threat of serious injury from dumped imports, authorise the Member State aggrieved to take anti-dumping action:*

- (a) *if the parties alleged to be responsible for dumped imports refuse to co-operate within the time specified so as to frustrate or otherwise impede an investigation;*
  - (b) *if there is a serious threat of injury or if injury has resulted.*
2. *In authorising the imposition of anti-dumping measures, COTED shall set the date, duration and conditions for the imposition of the measures as the case may require.*
3. *Anti-dumping action taken pursuant to this Article, shall be based on the calculated margin of dumping and may be applied as follows:*
- (a) *if the evidence arising from definitive investigations of dumping proves the existence of dumping and that injury was caused by dumping, a Member State may impose anti-dumping duties sufficient to eliminate the margin of dumping. COTED may authorise all affected Member States to impose similar anti-dumping duties for such time and under such conditions as COTED may prescribe;*
  - (b) *in the imposition of anti-dumping duties, the Member States imposing the measure shall not discriminate among the sources of all dumped imports based on country of origin or nationality of the exporters;*
  - (c) *an exporter whose exports are the subject of anti-dumping duties may request at any time the Member State imposing the duties to review the application of the duties against the relevant exports;*
  - (d) *if an applicant for review of anti-dumping duties applied to exports mentioned in sub-paragraph (c) is not satisfied that the competent authorities in the importing Member States have given adequate consideration to the request for review within 30 days of the receipt of the request, the applicant may refer the request to COTED which shall recommend to the Member State maintaining the anti-dumping duty to take the appropriate action if it is satisfied that the application for review is justified;*
  - (e) *in the event that investigations have been concluded and the evidence proves that injury has been caused, a Member State may impose anti-dumping duties retroactively to account for the entire period during which provisional anti-dumping duties have been in force preceding the date of imposition of definitive anti-dumping duties. If, however, the definitive anti-dumping duties are higher than the provisional duties paid or payable or the amount estimated for the purpose of security, the difference shall not be collected. If the definitive duties are lower than the provisional duties payable, or the amount estimated for the purpose of security, the difference shall be reimbursed or the duties recalculated as the case may require;*
  - (f) *if however the investigations reveal that injury was not caused by dumped imports as alleged, but the provisional measures have materially retarded exports of the Member State complained against, COTED shall, upon application by such State, assess the effects of the provisionally applied duties and determine the nature and extent of compensation which is warranted and require the Member State applying provisional measures to withdraw the measure and pay compensation in accordance with its assessment;*
  - (g) *a Member State may accept a voluntary price guarantee from an exporter who is believed to be exporting dumped products, to raise the price of the export sufficiently to forestall a serious threat of injury or to eliminate injury*

*caused by dumped imports;*

- (h) if a Member State has initiated investigations based on evidence of dumped imports and the Member State had imposed provisional measures, the Member State may, upon the receipt of a voluntary guarantee from the exporter referred to in sub-paragraph (g), promptly suspend the investigation and withdraw any provisional measures it may have imposed as appropriate.*

*4. COTED shall keep under review all anti-dumping measures imposed by the Member States and shall ensure that the Member States observe the conditions and the timetable for review and withdrawal of anti-dumping measures that it may have authorised.*

*5. The Member States undertake to co-operate in the establishment of harmonised anti-dumping legislation and procedures in accordance with the provisions of this Protocol.*

## **CHAPTER SIX TRANSPORT POLICY**

### **ARTICLE 134**

#### **Objectives of the Community Transport Policy**

*1. The goal of the Community Transport Policy shall be the provision of adequate, safe and internationally competitive transport services for the development and consolidation of the CSME.*

*2. In fulfilment of the goal set out in paragraph 1 of this Article, the Community shall pursue the following objectives:*

- (a) the organisation of efficient, reliable, affordable transport services throughout the Community;*
- (b) the development and expansion of air and maritime transport capabilities in the Community;*
- (c) the promotion of co-operative arrangements for the provision of transport services;*
- (d) the development of efficient internationally competitive ancillary transport services;*
- (e) the development of human resources for employment in all areas and at all levels of the transport sector;*
- (f) the implementation of standards for the development of safe road, riverine, sea and air transport services.*

**ARTICLE 135**  
**Implementation of Community Transport Policy**

1. *In order to achieve the objectives of the Community Transport Policy, COTED shall, in collaboration with other Organs of the Community as appropriate, promote, inter alia:*

- (a) *co-ordination of the national transport policies of the Member States;*
- (b) *the implementation of uniform regulations and procedures, consistent with standards and recommended practices, for the development of an efficient multi-modal transport system, particularly in respect of operations, safety, licensing and certification;*
- (c) *the development of required institutional, legal, technical, financial and administrative support for the balanced, sustainable development of the transport sector;*
- (d) *the establishment of measures:*
  - (i) *to ensure that the development of the transport sector does not impact adversely on the environment of the Member States and, in particular, the Caribbean Sea;*
  - (ii) *for the acquisition and transfer of technology in the transport sector; and*
  - (iii) *for human resources development in accordance with Article 63;*
- (e) *investment in the transport sector, including ancillary services supportive of the sector through, for example, joint ventures;*
- (f) *the removal of obstacles to the provision of transport services by nationals of the Member States in accordance with the relevant provisions of Chapter Three.*

2. *COTED shall develop programmes to facilitate the achievement of the objectives set out in Article 134.*

3. *The Member States shall co-ordinate their actions in order to secure the best terms and conditions for the provision of transport services by service providers.*

**ARTICLE 136**  
**Search and Rescue**

1. *COTED shall promote co-operation in air and maritime search and rescue operations in the Community, bearing in mind such machinery as may exist for the overall co-ordination of search and rescue services.*

2. *The Member States shall notify COTED of air and maritime equipment and facilities available for use in search and rescue operations.*

3. *The Member States shall collaborate with third States and competent international organisations in search and rescue operations.*

**ARTICLE 137**

### ***Intra-Community Transport Services***

1. *The Member States shall adopt uniform standards and recommended practices for the provision of transport services.*
2. *The Member States shall notify COTED of legislative, regulatory or administrative measures affecting the provision of transport services within their domestic jurisdictions where such measures deviate from uniform standards and recommended practices.*
3. *The Member States adversely affected by such regulatory or administrative measures may notify COTED of such adverse effects, and shall have recourse to the disputes settlement procedures provided in the Treaty.*

### **ARTICLE 138** ***Development of Air Transport Services***

1. *The Member States shall co-operate in:*
  - (a) *the development of air transport services in the Community and towards this end may conclude among themselves air transport agreements designed to facilitate the provision of such services;*
  - (b) *establishing measures to ensure that the provision of international air transport services in the Community is undertaken by financially viable and technically qualified carriers and operators, and that the Community interest in safety, security and economy of air travel is not prejudiced.*
2. *COTED shall promote co-operation among the Member States in the registration of aircraft and the enforcement of applicable standards in the air transport industry.*
3. *The Member States shall co-operate in ensuring uniformity in licensing and certification procedures and equivalencies within the Community for aviation personnel in conformity with international standards.*
4. *COTED shall promote co-operation among operators of air transport services of the Member States particularly in purchasing of equipment and supplies, the management of inventories, interline and inter-modal operations, code sharing, reservations, insurance, leasing and similar operations.*

### **ARTICLE 139** ***Aircraft Accident and Incident Investigation***

1. *The Member States undertake to conduct effective and comprehensive investigations into aircraft accidents and incidents with a view to enhancing the technical conditions for the safe delivery of air transport services.*
2. *The Member States shall, to the extent practicable, make available appropriate equipment, facilities and personnel to assist in the investigation of aircraft accidents or incidents which occur within the Community and take effective measures to protect the property of victims, relevant evidence and the crash site from interference and unauthorised entry.*

3. *The Member States shall collaborate with third States and competent international organisations in the conduct of aircraft accident investigations.*

**ARTICLE 140**  
**Development of Maritime Transport Services**

1. *The Member States shall co-operate in the development of maritime transport services in the Community. In particular, the Member States shall co-operate in:*

- (a) enhancing flag and port State control activities in the Region;*
- (b) developing and providing expertise in the shipping industry, including the necessary services and infrastructure necessary for the growth of the shipping sector;*
- (c) protecting the marine environment from the effects of vessel source pollution and in combating the effects of such pollution; and*
- (d) taking any other action necessary for the sustainable development of the shipping sector.*

2. *The Community shall co-operate with competent national, regional and international organisations in establishing conditions for the provision of efficient and affordable maritime transport services among the Member States.*

3. *COTED shall promote co-operation among the Member States in the implementation of relevant international maritime instruments relating to maritime safety, marine environmental protection, maritime accident investigation and the facilitation of maritime traffic.*

4. *COTED shall promote and co-ordinate the development of maritime transport services in the Community through, inter alia:*

- (a) the development of proposals for the establishment and upgrade of small vessel enterprises in the Community;*
- (b) the establishment of a regime of incentives to encourage the development of shipping enterprises in the Community;*
- (c) measures for the establishment, improvement and rationalisation of port facilities in the Community, to respond to the demands of containerisation, refrigeration and storage of agricultural commodities, nautical and cruise tourism and other special and dedicated services;*
- (d) co-operation and regular interchange among administrations to promote a harmonised system for the development of maritime transport in the Community;*
- (e) promotion of joint ventures among Community nationals and with extra-regional shipping enterprises to facilitate the transfer of appropriate technology and increase the participation of the Member States in international shipping;*
- (f) the organisation and harmonisation of training programmes within the Community, the strengthening of the capabilities of training institutions and the ease of access of Community nationals to all aspects of training and development in the shipping industry; and*
- (g) measures for the development of ancillary services in the shipping industry, including non-vessel operating common carriers, marine insurance, freight forwarding, transshipment and other services.*

5. *The Member States shall promote the development of maritime transport services in the Community through, inter alia:*

- (a) the establishment and improvement of port facilities;*
- (b) the establishment of effective maritime administrations for the regulation of shipping in the respective jurisdictions of maritime safety and marine environmental protection;*
- (c) the implementation of relevant international maritime instruments related to the safety of shipping and the prevention of vessel source pollution; and*
- (d) encouraging improved efficiency in ports and in related services to reduce maritime transportation costs.*

**ARTICLE 141**  
**Special Status of the Caribbean Sea**

*The Member States shall co-operate in achieving international recognition for the Caribbean Sea as a Special Area requiring protection from the potentially harmful effects of the transit of nuclear and other hazardous wastes, dumping, pollution by oil or by any other substance carried by sea or wastes generated through the conduct of ship operations.*

**CHAPTER SEVEN**  
**DISADVANTAGED COUNTRIES, REGIONS**  
**AND SECTORS**

**PART ONE**  
**PRELIMINARY**

**ARTICLE 142**  
**Scope of Application**

1. *The provisions of this Chapter shall have effect for the purpose of establishing a regime for disadvantaged countries, regions or sectors within the framework of the Treaty as well as a special regime for the Less Developed Countries in order to enhance their prospects for successful competition within the Community, and redress, to the extent possible, any negative impact of the establishment of the CSME.*

2. *As soon as practicable after the entry into force of this Treaty, the Conference shall, on the recommendation of the Community Council and in accordance with Article 1, designate disadvantaged countries, regions and sectors and may, from time to time, make such further designations or terminate such designations as circumstances warrant.*

3. *Wherever in this Treaty reference is made to disadvantaged countries, regions and sectors or to the Less Developed Countries, the Organs of the Community shall take the measures required to give effect to the spirit and intent of this Chapter.*

**ARTICLE 143**  
**Objective of the Regimes**

1. *The objective of the regimes mentioned in Article 142 is to assist the disadvantaged countries, regions and sectors towards becoming economically viable and competitive by appropriate*

*interventions of a transitional or temporary nature.*

2. *The interventions referred to in paragraph 1 of this Article may include:*

- (a) technical and financial assistance to address economic dislocation arising from the operation of the CSME;*
- (b) special measures to attract investment and industries;*
- (c) transitional or temporary arrangements to ameliorate or arrest adverse economic and social impact arising from the operation of the CSME;*
- (d) special measures to assist industries to become efficient and competitive;*
- (e) assistance intended to achieve structural diversification and infrastructural development;*
- (f) assistance to economic enterprises disadvantaged by the removal of intraregional barriers;*
- (g) the establishment of mechanisms to monitor, and assist in the discharge of, obligations assumed under the Treaty and other international trade agreements.*

#### **ARTICLE 144** **Implementation of Measures**

*Subject to the authority of the Conference, COTED and COFAP, as appropriate, shall establish, administer and monitor the measures identified in Article 143.*

#### **ARTICLE 145** **Review of Measures**

1. *The Community Council shall review, as appropriate, the effectiveness of measures taken pursuant to this Chapter and take such action as may be necessary to achieve the objective set out in Article 143, and shall submit a report thereon to the Conference.*

2. *The review shall include an examination of relevant programmes and support measures in order to determine their efficacy as a basis for their termination or modification as the case may be.*

**PART TWO**  
**REGIME FOR DISADVANTAGED COUNTRIES,**  
**REGIONS AND SECTORS**

**ARTICLE 146**  
**Measures to Redress Disadvantage Arising**  
**from Economic Dislocation**

1. *The Member States agree that where economic dislocation arising from the operation of the CSME occurs, and notwithstanding any provisions to the contrary in this Treaty, COTED may, as the case may require on a temporary basis and subject to Article 144, adopt effective measures to arrest or mitigate adverse effects on economic activity. Such measures may include the grant of incentives to address the dislocation and shall be without prejudice to any incentives provided for in Articles 52 and 69.*

2. *Notwithstanding any provisions to the contrary in this Treaty, the measures mentioned in this Article may, where necessary, provide for temporary derogations from rights and obligations set out in the Treaty.*

3. *COTED shall periodically examine the impact of the measures mentioned in paragraph 2 with a view to determining their adequacy and establishing a time-frame for their discontinuance.*

4. *The Member States shall co-operate with the Community Organs in implementing the measures mentioned in paragraph 2 of this Article and shall take the action required to secure compliance therewith.*

**ARTICLE 147**  
**Promotion of Investment**

COFAP shall promote investment in disadvantaged countries by, inter alia,  
facilitating:

- (a) *the establishment of joint ventures among nationals of disadvantaged countries as well as between nationals of disadvantaged countries and nationals of other Member States;*
- (b) *the establishment of joint ventures between nationals of disadvantaged countries and nationals of third countries;*
- (c) *investment for economic diversification including diversification of the agricultural sector;*
- (d) *research, development and the transfer of technology in the development of disadvantaged countries; and*
- (e) *capital flows from other Member States to disadvantaged countries through the conclusion of double taxation agreements and appropriate policy instruments.*

**ARTICLE 148**  
**Measures Relating to the Services Sector**

1. *COTED, in establishing the programme for removal of restrictions by Member States on the provision of services in the Community mentioned in paragraph 2 of Article 37 shall give due*

*consideration to the peculiar economic vulnerability of disadvantaged countries, bearing in mind Article 49.*

2. *Without prejudice to the generality of the provisions set out in paragraph 1 of this Article, COTED shall, in establishing the said programme, determine in respect of disadvantaged countries:*

- (a) a list of services in respect of which national treatment may not be applied for a specified period of time;*
- (b) the manner in which restrictions on services not mentioned in sub-paragraph (a) of this paragraph shall be removed:*

*Provided that such disadvantaged countries shall accord the Member States rights no more restrictive than those accorded to other parties of the WTO under the General Agreement on Trade in Services (GATS).*

#### **ARTICLE 149** **Measures Relating to the Right of Establishment**

1. *COTED shall take appropriate measures to ensure that, in establishing the programme for the removal of restrictions by the Member States on the right of establishment in the Community mentioned in paragraph 3 of Article 33, the peculiar economic vulnerability of disadvantaged countries in the Community is taken into account, bearing in mind Article 49.*

2. *Without prejudice to the generality of the provisions of paragraph 1 of this Article, COTED shall, in establishing the said programme, determine in respect of disadvantaged countries:*

- (a) a list of economic activities in respect of which national treatment may not be accorded to persons exercising the right of establishment for a specified period of time;*
- (b) the manner in which restrictions on the right of establishment in respect of economic activities not mentioned in sub-paragraph (a) of this paragraph shall be removed:*

*Provided that such disadvantaged countries shall accord to the Member States rights of establishment no more restrictive than those accorded to third States.*

#### **ARTICLE 150** **Safeguard Measures**

1. *Where, in accordance with paragraph 1 of Article 92, a disadvantaged country establishes an entitlement to limit imports of goods from other Member States, then, notwithstanding any other provisions to the contrary in this Treaty, the disadvantaged country may limit such imports for a period of up to three (3) years unless COTED authorises the limitation for a longer period and take such other measures as COTED may authorise.*

2. *A disadvantaged country applying restrictions in accordance with paragraph 1 of this Article shall notify them to COTED, if possible, before they come into force. COTED may, at any time, consider those restrictions and shall, in light of such consideration, make recommendations designed to moderate any damaging effect of such restrictions or to assist the disadvantaged country to overcome its difficulties.*

3. *Nothing in this Treaty shall be construed as entitling any Member State to apply safeguard measures against the products of Community origin of a disadvantaged country where such products do not exceed 20 per cent of the market of the importing Member State.*

**ARTICLE 151**  
**Support for Sensitive Industries**

1. COTED may authorise a Member State having a sensitive industry which can be disadvantaged by the operation of the CSME to suspend Community treatment to products of other Member States.

2. The suspension authorised in paragraph 1 of this Article shall be granted upon application to COTED in that behalf where the applicant establishes that the product is from a sensitive industry.

3. For the purpose of this Article, an industry may be considered to be sensitive by reason of its vulnerable nature and:

(a) the significance of its contribution to, inter alia:

- (i) Gross Domestic Product;
- (ii) employment;
- (iii) foreign exchange earnings; or

(b) its designation as vital within the national industrial policy.

4. Notwithstanding any other provisions of this Treaty, a disadvantaged country may, for the period of suspension decided upon by COTED, suspend Community treatment in respect of imports of like description from the Member State granted the suspension.

5. COTED, in authorising the suspension mentioned in paragraph 1 of this Article may impose terms and conditions for the grant of the suspension.

6. COTED shall monitor the progress of the industry concerned and undertake a periodic review.

**ARTICLE 152**  
**Public Undertakings**

Notwithstanding any provisions to the contrary in this Treaty, disadvantaged countries may, with the prior approval of COTED, maintain, in respect of public undertakings, measures, the effect of which is to afford support to domestic production where such measures are in the form of:

- (a) a duty or charge having equivalent effect; or
- (b) quantitative restrictions.

**ARTICLE 153**  
**Use of Technological and Research Facilities**  
**in Member States**

1. The Member States undertake to provide opportunities for access to their technological and research facilities by nationals of disadvantaged countries.

2. COTED shall encourage close collaboration between research institutions and facilities located in disadvantaged countries with others located in other Member States.

**ARTICLE 154**  
**Promotion of Development**

1. COTED shall promote the establishment of infrastructure in a disadvantaged country,

*region or sector to encourage or stimulate economic activity.*

2. COTED may also adopt measures for the establishment of new industries or for the retooling or expansion of existing industries in a disadvantaged country, region or sector.

**ARTICLE 155**  
**Special Provisions for Guyana**

*Notwithstanding any provisions to the contrary in this Treaty, Guyana shall be allowed, for as long as it continues to benefit from wheat imports under PL 480 Agreements with the United States of America, to impose quantitative restrictions on the importation of wheat flour.*

**ARTICLE 156**  
**Application of the Special Regime to Highly-Indebted Poor Countries**

*COTED shall to the extent necessary and for a period to be determined, apply the provisions of the Special Regime for the less developed countries to Highly-Indebted Poor Countries.*

**ARTICLE 157**  
**Technical and Financial Assistance**

1. *As soon as practicable after the entry into force of this Treaty, the Community Council shall, in collaboration with other competent Organs of the Community, make adequate arrangements to extend to disadvantaged countries, regions and sectors such technical and financial assistance as may be required to allow them to participate effectively in the CSME and to administer international trade agreements.*

2. *Pursuant to paragraph 1 of this Article, COTED shall evaluate the need for technical and financial assistance to disadvantaged countries, regions and sectors, and promote and facilitate appropriate programmes and projects. Such assistance may include:*

- (a) grants or access to low-cost financing;*
- (b) preparation of project proposals for financing;*
- (c) performance guarantees and other guarantees to enterprises;*
- (d) accessing technology including information technology;*
- (e) product design or quality enhancement;*
- (f) factory design and market development.*

3. *Technical assistance within the meaning of this Article may also include:*

- (a) assistance to establish or upgrade national standardising bodies;*
- (b) assistance to countries to advance their diversification programmes;*
- (c) professional assistance in meeting obligations under trade-related agreements;*
- (d) assistance to establish institutions or centres for the training or retraining of employees as the case may require;*
- (e) provision of relevant expertise to formulate a legal policy framework conducive to fair trading and fair competition;*
- (f) professional expertise in espousing and defending claims arising in connection with the WTO Agreement and other trade-related agreements;*
- (g) professional assistance in preparing for disputes resolution arising in connection with trade-related agreements;*

(h) professional assistance in preparing legislation.

4. The evaluation mentioned in paragraph 2 of this Article may be undertaken by COTED on its own initiative, or in response to an application for assistance issuing from a Member State.

5. COTED shall, from time to time, examine the impact of the measures mentioned in paragraph 2 with a view to determining their adequacy and establishing a time-frame for their discontinuance.

#### **ARTICLE 158** **The Development Fund**

1. There is hereby established a Development Fund for the purpose of providing financial or technical assistance to disadvantaged countries, regions and sectors.

2. Subject to the provisions of this Article and relevant provisions of this Treaty, the Community Council, in collaboration with COFAP, shall:

- (a) determine the status, composition and functions of the Development Fund;
- (b) determine the contributions of the Member States to the Development Fund.

3. The Development Fund may accept subventions from public or private sector entities of the Member States or from other entities external to the Community. Subventions shall not be accepted nor applied by the Development Fund on conditions which discriminate against Member States, regions or sectors except in accordance with the provisions of this Treaty.

#### **ARTICLE 159** **Saving**

Nothing in this Chapter shall be construed as disentitling a disadvantaged country, region or sector, being the beneficiary of any other technical assistance programme, from simultaneously benefiting from technical assistance pursuant to the provisions herein set forth.

### **PART THREE** **SPECIAL REGIME FOR LESS DEVELOPED COUNTRIES**

#### **ARTICLE 160** **Import Duties**

Where a less developed country has suffered or is likely to suffer loss of revenue as a result of the importation of goods eligible for Community treatment, COTED may, on application made in that behalf by the less developed country, authorise the imposition of import duties on such goods for such time and on such terms and conditions as COTED may decide.

#### **ARTICLE 161** **Community Origin**

The Member States agree that in the determination and operation of the criterion of substantial transformation pursuant to Article 84, the special needs of the less developed countries shall be taken into account.

#### **ARTICLE 162** **Incentive Regimes**

*The Member States agree that in the establishment of any programme for incentives in the Community provided for in Article 52 and Article 69, the special needs of the less developed countries shall be taken into account.*

**ARTICLE 163**  
**The Common External Tariff**

*The Member States agree that in the implementation of the Common External Tariff provided for in Article 82, the special needs of the less developed countries shall be taken into account.*

**ARTICLE 164**  
**Promotion of Industrial Development**

1. *Upon application made in that behalf by the less developed countries, COTED may, if necessary, as a temporary measure in order to promote the development of an industry in any of these States, authorise such States to suspend Community origin treatment to any description of imports eligible therefor on grounds of production in one or more less developed countries.*

2. *COTED may, in taking decisions pursuant to paragraph 1 of this Article, establish terms and conditions including a phasing-out period during which Member States and the Community shall provide support measures and the industry implement the necessary programmes for achieving competitiveness.*

3. *The grant of authorisation pursuant to paragraph 1 of this Article shall be by means of a decision supported by the affirmative votes of all the less developed countries and at least two of the more developed countries.*

**ARTICLE 165**  
**Public Undertakings**

*Paragraph 1 of Article 94 shall not apply to the less developed countries.*

**ARTICLE 166**  
**Use of Technological and Research Facilities**

*The more developed countries undertake to provide opportunities for the use of their technological and research facilities by the less developed countries.*

**ARTICLE 167**  
**Special Provisions for Belize**

*Belize shall be allowed to impose import duties or quantitative restrictions on beer and cigarettes produced in the Community for a period ending 31 December 2000.*

**CHAPTER EIGHT**  
**COMPETITION POLICY AND**  
**CONSUMER PROTECTION**

**PART ONE**  
**RULES OF COMPETITION**

**ARTICLE 168**  
**Scope of Chapter**

*The rules of competition shall not apply to -*

- (a) combinations or activities of employees for their own reasonable protection as employees;*
- (b) arrangements for collective bargaining on behalf of employers or employees for the purpose of fixing terms and conditions of employment;*
- (c) business conduct within the meaning of Article 177 duly notified to COTED in accordance with Article 170;*
- (d) negative clearance rulings within the meaning of Article 180 or exemptions within the meaning of Articles 181 and 183;*
- (e) activities of professional associations designed to develop or enforce professional standards of competence reasonably necessary for the protection of the public and approved by the Commission.*

#### **ARTICLE 169**

##### **Objectives of Community Competition Policy**

1.. *The goal of the Community Competition Policy shall be to ensure that the benefits expected from the establishment of the CSME are not frustrated by anti-competitive business conduct.*

2. *In fulfilment of the goal set out in paragraph 1 of this Article, the Community shall pursue the following objectives:*

- (a) the promotion and maintenance of competition and enhancement of economic efficiency in production, trade and commerce;*
- (b) subject to this Treaty, the prohibition of anti-competitive business conduct which prevents, restricts or distorts competition or which constitutes the abuse of a dominant position in the market; and*
- (c) the promotion of consumer welfare and protection of consumer interests.*

#### **ARTICLE 170**

##### **Implementation of Community Competition Policy**

1. *In order to achieve the objectives of the Community Competition Policy,*

- (a) the Community shall:*
  - (i) subject to Articles 164, 177, 178 and 179 of this Treaty, establish appropriate norms and institutional arrangements to prohibit and penalise anti-competitive business conduct; and*
  - (ii) establish and maintain information systems to enable enterprises and consumers to be kept informed about the operation of markets within the CSME;*
- (b) the Member States shall:*
  - (i) take the necessary legislative measures to ensure consistency and*

*compliance with the rules of competition and provide penalties for anti-competitive business conduct;*

- (ii) provide for the dissemination of relevant information to facilitate consumer choice;*
- (lii) establish and maintain institutional arrangements and administrative procedures to enforce competition laws; and*
- (iv) take effective measures to ensure access by nationals of other Member States to competent enforcement authorities including the courts on an equitable, transparent and non-discriminatory basis.*

*2. Every Member State shall establish and maintain a national competition authority for the purpose of facilitating the implementation of the rules of competition.*

*3. Every Member State shall require its national competition authority to:*

- (a) co-operate with the Commission in achieving compliance with the rules of competition;*
- (b) investigate any allegations of anti-competitive business conduct referred to the authority by the Commission or another Member State; .*
- (c) co-operate with other national competition authorities in the detection and prevention of anti-competitive business conduct, and the exchange of information relating to such conduct.*

*4. Nothing in this Article shall be construed as requiring a Member State to disclose confidential information, the disclosure of which would be prejudicial to the public interest or to the legitimate commercial interests of enterprises, public or private. Confidential or proprietary information disclosed in the course of an investigation shall be treated on the same basis as that on which it was provided.*

*5. Within 24 months of the entry into force of this Treaty, the Member States shall notify COTED of existing legislation, agreements and administrative practices inconsistent with the provisions of this Chapter. Within 36 months of entry into force of this Treaty, COTED shall establish a programme providing for the repeal of such legislation, and termination of agreements and administrative practices.*

#### **ARTICLE 171**

##### **Establishment of the Competition Commission**

*For the purposes of implementation of the Community Competition Policy, there is hereby established a Competition Commission (hereinafter called "the Commission") having the composition, functions and powers hereinafter set forth.*

#### **ARTICLE 172**

##### **Composition of the Commission**

*1. The Commission shall comprise seven members appointed by the Regional Judicial and Legal Services Commission to serve on the Commission. The Regional Judicial and Legal Services Commission shall appoint a Chairman from among the members so appointed.*

*2. The Commission shall comprise persons, collectively having expertise or experience in commerce, finance, economics, law, competition policy and practice, international trade and such other areas of expertise or experience as may be necessary.*

*3. A Commissioner shall be appointed for a term of five years and such appointment may be renewed for a further period of not more than five years as determined by the Regional*

*Judicial and Legal Services Commission.*

4. A Commissioner may be removed from office only for inability to perform the functions of his office or for misbehaviour and shall otherwise be subject to the disciplinary procedures of the Regional Judicial and Legal Services Commission.

5. A Commissioner shall be removed only on the vote of the Judicial and Legal Services Commission that represents not less than three-quarters of all the Members of the Commission.

6. A Commissioner may at any time resign the office of Commissioner by writing under his hand addressed to the Chairman of the Judicial and Legal Services Commission.

7. A Commissioner shall not enter upon the duties of the office unless he has taken and subscribed before the Chairman of the Judicial and Legal Services Commission, the Oath of Office set out in the Annex to this Treaty.

8. Notwithstanding the foregoing provisions of this Article, the Conference shall on the recommendation of COTED execute the functions required to be carried out by the Regional Judicial and Legal Services Commission where the Parties to the Agreement Establishing the Caribbean Court of Justice are less than seven.

**ARTICLE 173**  
**Functions of the Commission**

1. The Commission shall:

- (a) apply the rules of competition in respect of anti-competitive cross-border business conduct;
- (b) promote and protect competition in the Community and co-ordinate the implementation of the Community Competition Policy; and
- (c) perform any other function conferred on it by any competent body of the Community.

2. In discharging the functions set out in paragraph 1, the Commission shall:

- (a) monitor anti-competitive practices of enterprises operating in the CSME, and investigate and arbitrate cross-border disputes;
- (b) keep the Community Competition Policy under review and advise and make recommendations to COTED to enhance its effectiveness;
- (c) promote the establishment of institutions and the development and implementation of harmonised competition laws and practices by the Member States to achieve uniformity in the administration of applicable rules;
- (d) review the progress made by the Member States in the implementation of the legal and institutional framework for enforcement;
- (e) co-operate with competent authorities in the Member States;
- (f) provide support to the Member States in promoting and protecting consumer welfare;
- (g) facilitate the exchange of relevant information and expertise; and
- (h) develop and disseminate information about competition policy, and

*consumer protection policy.*

3. *The Commission may, by directions in writing and subject to such conditions as it thinks fit, delegate any of its functions to one or more of its members.*

#### **ARTICLE 174** **Powers of the Commission**

1. *Subject to Articles 175 and 176, the Commission may, in respect of cross-border transactions or transactions with cross-border effects, monitor, investigate, detect, make determinations or take action to inhibit and penalise enterprises whose business conduct prejudices trade or prevents, restricts or distorts competition within the CSME.*

2. *The Commission may, in accordance with applicable national laws, in the conduct of its investigations:*

- (a) secure the attendance of any person before it to give evidence;*
- (b) require the discovery or production of any document or part thereof; and*
- (c) take such other action as may be necessary in furtherance of the investigation.*

3. *The Commission may, on the basis of its investigations, make determinations regarding the compatibility of business conduct with the rules of competition and other related provisions of the Treaty.*

4. *The Commission shall, to the extent required to remedy or penalise anti-competitive business conduct referred to in Article 177:*

- (b) order the termination or nullification as the case may require, of agreements, conduct, activities or decisions prohibited by Article 170;*
- (c) direct the enterprise to cease and desist from anti-competitive business conduct and to take such steps as are necessary to overcome the effects of abuse of its dominant position in the market, or any other business conduct inconsistent with the principles of fair competition set out in this Chapter;*
- (i) order payment of compensation to persons affected; and*
- (j) impose fines for breaches of the rules of competition.*

5. *The Commission may enter into such arrangements for the provision of services as may be necessary for the efficient performance of its functions.*

6. *The Member States shall enact legislation to ensure that determinations of the Commission are enforceable in their jurisdictions.*

7. *The Commission may establish its own rules of procedure.*

#### **ARTICLE 175** **Determination of Anti-Competitive Business Conduct:** **Procedure of Commission on Request**

1. *A Member State may request an investigation referred to in paragraph 1 of Article 174 where it has reason to believe that business conduct by an enterprise located in another Member State prejudices trade and prevents, restricts or distorts competition in the territory of the requesting*

*Member State.*

2. *Where COTED has reason to believe that business conduct by an enterprise in the CSME prejudices trade and prevents, restricts or distorts competition within the CSME and has or is likely to have cross-border effects, COTED may request an investigation referred to in paragraph 1 of Article 174.*

3. *Requests under paragraphs 1 and 2 shall be in writing and shall disclose sufficient information for the Commission to make a preliminary assessment whether it should proceed with the investigation.*

4. *Upon receipt of a request mentioned in paragraph 3, the Commission shall consult with the interested parties and shall determine on the basis of such consultations whether:*

- (a) the investigation is within the jurisdiction of the Commission; and*
- (b) the investigation is justified in all the circumstances of the case.*

5. *The consultations shall be concluded within 30 days of the date of receipt of the request for the investigation, unless the parties agree to continue the consultations for a longer period.*

6. *Where the Commission decides to conduct the investigation, the Commission shall:*

- (a) notify the interested parties and COTED;*
- (b) complete the investigation within 120 days from the date of receipt of the request for the investigation; and*
- (c) where the circumstances so warrant, extend the time period for completion of the investigation and notify the interested parties.*

7. *Where the Commission decides to conduct an enquiry following an investigation, the Commission shall afford any party complained of the opportunity to defend its interest.*

8. *At the conclusion of an enquiry, the Commission shall notify the interested parties of its determination.*

9. *Where the Commission determines that a party has engaged in anti-competitive business conduct, it shall also require the party to take the action necessary to remove the effects of the anti-competitive business conduct.*

10. *Where a specific course of action is required under paragraph 9, the enterprise concerned shall take the appropriate course of action within 30 days of the date of notification. If the concerned enterprise cannot comply, it shall notify the Commission and request an extension.*

11. *If the enterprise cannot comply within the time period specified and fails to inform the Commission, the Commission may apply to the Court for an order.*

12. *A party which is aggrieved by a determination of the Commission under paragraph 4 of Article 174 in any matter may apply to the Court for a review of that determination.*

**ARTICLE 176**  
**Determination of Anti-Competitive Business Conduct:**  
**Procedure of Commission Proprio Motu**

1. *Where the Commission has reason to believe that business conduct by an enterprise in the CSME prejudices trade and prevents, restricts, or distorts competition within the CSME and*

*has cross-border effects, the Commission shall request the national competition authority to undertake a preliminary examination of the business conduct of the enterprise.*

*2. Where a request is made under paragraph 1, the national competition authority shall examine the matter and report its findings to the Commission within such time as may be determined by the Commission.*

*3. Where the Commission is not satisfied with the outcome of its request, the Commission may initiate its own preliminary examination into the business conduct of the enterprise referred to in paragraph 1.*

*4. Where the findings of the preliminary examination under paragraphs 2 and 3 require investigation, the Commission and the Member State concerned shall hold consultations to determine and agree on who should have jurisdiction to investigate.*

*5. If there is a difference of opinion between the Commission and the Member State regarding the nature and effects of the business conduct or the jurisdiction of the investigating authority, the Commission shall:*

- (a) cease any further examination of the matter; and*
- (b) refer the matter to COTED for its decision.*

*6. Nothing in this Article shall prejudice the right of the Member State to initiate proceedings before the Court at any time.*

*7. Where there is a finding that the Commission has jurisdiction to investigate the matter, the Commission shall follow the procedures set out in paragraphs 5, 6, 7 and 8 of Article 175.*

#### **ARTICLE 177**

##### **Prohibition of Anti-Competitive Business Conduct**

*1. A Member State shall, within its jurisdiction, prohibit as being anti-competitive business conduct, the following:*

- (a) agreements between enterprises, decisions by associations of enterprises, and concerted practices by enterprises which have as their object or effect the prevention, restriction or distortion of competition within the Community;*
- (b) actions by which an enterprise abuses its dominant position within the Community; or*
- (c) any other like conduct by enterprises whose object or effect is to frustrate the benefits expected from the establishment of the CSME.*

*2. Anti-competitive business conduct within the meaning of paragraph 1 includes the following:*

- (a) the direct or indirect fixing of purchase or selling prices,*
- (b) the limitation or control of production, markets, investment or technical development;*
- (c) the artificial dividing up of markets or restriction of supply sources;*
- (d) the application of unequal conditions to parties undertaking equivalent engagements in commercial transactions thereby causing a competitive disadvantage;*

- (e) *making the conclusion of a contract subject to the acceptance by the other party to the contract of additional obligations which, by their nature or according to commercial practice, have no connection with the subject matter of the contract;*
- (f) *unauthorised denial of access to networks or essential infrastructure;*
- (g) *predatory pricing;*
- (h) *price discrimination;*
- (i) *loyalty discounts or concessions;*
- (j) *exclusionary vertical restrictions; and*
- (k) *bid-rigging.*

3. *Subject to Article 168, a Member State shall ensure that all agreements and decisions within the meaning of paragraph 1 of this Article shall be null and void within its jurisdiction.*

4. *An enterprise shall not be treated as engaging in anti-competitive business conduct if it establishes that the activity complained of:*

- (a) *contributes to:*
  - (i) *the improvement of production or distribution of goods and services; or*
  - (ii) *the promotion of technical or economic progress,**while allowing consumers a fair share of the resulting benefit;*
- (b) *imposes on the enterprises affected only such restrictions as are indispensable to the attainment of the objectives mentioned in subparagraph (a); or*
- (c) *does not afford the enterprise engaged in the activity the possibility of eliminating competition in respect of a substantial part of the market for goods or services concerned.*

#### **ARTICLE 178** **Determination of Dominant Position**

*For the purposes of this Chapter:*

- (a) *an enterprise holds a dominant position in a market if by itself or together with an interconnected enterprise, it occupies such a position of economic strength as will enable it to operate in the market without effective constraints from its competitors or potential competitors;*
- (b) *any two enterprises shall be treated as interconnected enterprises if one of them is a subsidiary of the other or both of them are subsidiaries of the same parent enterprise.*

#### **ARTICLE 179** **Abuse of a Dominant Position**

1. *Subject to paragraph 2 of this Article, an enterprise abuses its dominant position in a market if it prevents, restricts or distorts competition in the market and, in particular but without*

*prejudice to the generality of the foregoing, it:*

- (a) restricts the entry of any enterprise into a market;*
- (b) prevents or deters any enterprise from engaging in competition in a market;*
- (c) eliminates or removes any enterprise from a market;*
- (d) directly or indirectly imposes unfair purchase or selling prices or other restrictive practices;*
- (e) limits the production of goods or services for a market to the prejudice of consumers;*
- (f) as a party to an agreement, makes the conclusion of such agreement subject to acceptance by another party of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of the agreement;*
- (g) engages in any business conduct that results in the exploitation of its customers or suppliers,*

*so as to frustrate the benefits expected from the establishment of the CSME.*

*2. In determining whether an enterprise has abused its dominant position, consideration shall be given to:*

- (a) the relevant market defined in terms of the product and the geographic context;*
- (b) the concentration level before and after the relevant activity of the enterprise measured in terms of annual sales volume, the value of assets and the value of the transaction;*
- (c) the level of competition among the participants in terms of number of competitors, production capacity and product demand;*
- (d) the barriers to entry of competitors; and*
- (e) the history of competition and rivalry between participants in the sector of activity.*

*3. An enterprise shall not be treated as abusing its dominant position if it establishes that:*

- (a) its behaviour was directed exclusively to increasing efficiency in the production, provision or distribution of goods or services or to promoting technical or economic progress and that consumers were allowed a fair share of the resulting benefit;*
- (b) it reasonably enforces or seeks to enforce a right under or existing by virtue of a copyright, patent, registered trade mark or design; or*
- (c) the effect or likely effect of its behaviour on the market is the result of superior competitive performance of the enterprise concerned.*

#### **ARTICLE 180** **Negative Clearance Rulings**

*1. In any case where a Member State is uncertain whether business conduct is*

*prohibited by paragraph 1 of Article 177, such a Member State may apply to the Commission for a ruling on the matter. If the Commission determines that such conduct is not prohibited by paragraph 1 of Article 177, it shall issue a negative clearance ruling to this effect.*

2. *Subject to paragraph 3, a negative clearance ruling shall be conclusive of the matters stated therein in any judicial proceedings in the Community.*

3. *The Court may, on an application of the Commission, review a decision of the Commission where the decision was induced by deceit or improper means.*

#### **ARTICLE 181** **De Minimis Rule**

*The Commission may exempt from the provisions of this Part any business conduct referred to it if it considers that the impact of such conduct on competition and trade in the CSME is minimal.*

#### **ARTICLE 182** **Powers of the COTED Respecting Community** **Competition Policy and Rules**

*Subject to this Treaty, COTED shall develop and establish appropriate policies and rules of competition within the Community including special rules for particular sectors.*

#### **ARTICLE 183** **Exemptions**

1. *Where COTED determines, pursuant to Article 182, that special rules shall apply to specific sectors of the Community, it may suspend or exclude the application of Article 177 to such sectors pending adoption of the relevant rules.*

2. *COTED may, on its own initiative or pursuant to an application by a Member State in that behalf, exclude or suspend the application of Article 177 to any sector or any enterprise or group of enterprises in the public interest.*

### **PART TWO** **CONSUMER PROTECTION**

#### **ARTICLE 184** **Promotion of Consumer Interests** **in the Community**

1. *The Member States shall promote the interests of consumers in the Community by appropriate measures that:*

- (a) *provide for the production and supply of goods and the provision of services to ensure the protection of life, health and safety of consumers;*
- (b) *ensure that goods supplied and services provided in the CSME satisfy regulations, standards, codes and licensing requirements established or approved by competent bodies in the Community;*
- (c) *provide, where the regulations, standards, codes and licensing requirements referred to in paragraph (b) do not exist, for their establishment and*

*implementation;*

- (d) encourage high levels of ethical conduct for those engaged in the production and distribution of goods and services to consumers;*
- (e) encourage fair and effective competition in order to provide consumers with greater choice among goods and services at lowest cost;*
- (f) promote the provision of adequate information to consumers to enable the making of informed choices;*
- (g) ensure the availability of adequate information and education programmes for consumers and suppliers;*
- (h) protect consumers by prohibiting discrimination against producers and suppliers of goods produced in the Community and against service providers who are nationals of other Member States of the Community;*
- (i) encourage the development of independent consumer organisations;*
- (j) provide adequate and effective redress for consumers.*

2. *For the purpose of this Part,*

*“consumer” means any person:*

- (a) to whom goods or services are supplied or intended to be supplied in the course of business carried on by a supplier or potential supplier; and*
- (b) who does not receive the goods or services in the course of a business carried on by him.*

**ARTICLE 185**  
**Protection of Consumer Interests**  
**in the Community**

*The Member States shall enact harmonised legislation to provide, inter alia:*

- (a) for the fundamental terms of a contract and the implied obligations of parties to a contract for the supply of goods or services;*
- (b) for the prohibition of the inclusion of unconscionable terms in contracts for the sale and supply of goods or services to consumers;*
- (c) for the prohibition of unfair trading practices, particularly such practices relating to misleading or deceptive or fraudulent conduct;*
- (d) for the prohibition of production and supply of harmful and defective goods and for the adoption of measures to prevent the supply or sale of such goods including measures requiring the removal of defective goods from the market;*
- (e) that the provision of services is in compliance with the applicable regulations, standards, codes and licensing requirements;*
- (f) that goods supplied to consumers are labelled in accordance with standards and specifications prescribed by the competent authorities;*

- (g) *that hazardous or other goods whose distribution and consumption are regulated by law are sold or supplied in accordance with applicable regulations;*
- (h) *that goods or materials, the production or use of which is likely to result in potentially harmful environmental effects, are labelled and supplied in accordance with applicable standards and regulations;*
- (i) *that producers and suppliers are liable for defects in goods and for violation of product standards and consumer safety standards which occasion loss or damage to consumers;*
- (j) *that violations of consumer safety standards by producers or suppliers are appropriately sanctioned and relevant civil or criminal defences to such violations are available to defendants.*

#### **ARTICLE 186**

#### **Action by the Commission to Provide Support in the Promotion of Consumer Welfare and Protection of Consumer Interests**

1. *The Commission shall, for the purpose of providing support to the Member States in the enhancement of consumer education and consumer welfare:*

- (a) *promote in the Community the elaboration, publication and adoption of fair contract terms between suppliers and consumers of goods and services produced or traded in the CSME;*
- (b) *take such measures as it considers necessary to ensure that the Member States discourage and eliminate unfair trading practices, including misleading or deceptive conduct, false advertising, bait advertising, referral selling and pyramid selling;*
- (c) *promote in the Member States product safety standards as part of a programme of consumer education in order to assist the consumer to make informed choices concerning the purchase of consumer goods;*
- (d) *keep under review the carrying on of commercial activities in the Member States which relate to goods supplied to consumers in such States or produced with a view to their being so supplied, or which relate to services supplied for consumers with a view to identifying practices which may adversely affect the interests of consumers;*
- (e) *educate and guide consumers generally in the practical resolution of their problems and in the best use of their income and credit, using such techniques and means of communications as are available;*
- (f) *confer, on request, with consumer organisations of the Member States and offer such advice and information as may be appropriate for the resolution of their consumer problems;*
- (g) *establish the necessary co-ordination with government agencies and departments for the effective education and guidance of consumers having regard to the programmes, activities and resources of each agency or department;*
- (h) *conduct research and collect and collate information in respect of matters affecting the interests of consumers;*

- (i) *compile, evaluate and publicise enactments for the protection of consumers in such States and recommend to COTED the enactment of legislation considered necessary or desirable for the protection of consumers;*
- (j) *promote, after consultation with the competent standardising agency and other public and private agencies or organisations, the establishment of quality standards for consumer products;*
- (k) *promote and monitor, after consultation with relevant agencies and departments of Government, the enforcement of legislation affecting the interests of consumers, including, but not limited to, legislation relating to weights and measures, food and drugs adulteration, the control of standards and price controls;*
- (l) *make recommendations to COTED for the enactment of legislation by the Member States for the effective enforcement of the rights of consumers.*

2. *The Commission shall:*

- (a) *draw to the attention of COTED business conduct by enterprises which impacts adversely on consumer welfare;*
- (b) *collaborate with competent Organs of the Community to promote consumer education and consumer welfare.*

## **CHAPTER NINE DISPUTES SETTLEMENT**

### **ARTICLE 187 Scope of the Chapter**

*The provisions of this Chapter shall apply to the settlement of disputes concerning the interpretation and application of the Treaty, including:*

- (a) *allegations that an actual or proposed measure of another Member State is, or would be, inconsistent with the objectives of the Community;*
- (b) *allegations of injury, serious prejudice suffered or likely to be suffered, nullification or impairment of benefits expected from the establishment and operation of the CSME;*
- (c) *allegations that an organ or body of the Community has acted ultra vires; or*
- (d) *allegations that the purpose or object of the Treaty is being frustrated or prejudiced.*

**ARTICLE 188**  
**Modes of Dispute Settlement**

1. *Subject to the provisions of this Treaty, the disputes mentioned in Article 187 shall be settled only by recourse to any one of the following modes for the settlement of disputes, namely, good offices, mediation, consultations, conciliation, arbitration and adjudication.*

2. *Where a dispute has not been settled following the adoption of one of the modes referred to in paragraph 1 other than arbitration or adjudication, either party may have recourse to another mode.*

3. *Subject to the procedural rules applicable in respect of arbitration or adjudication, the parties may agree, pending a settlement, to have recourse to good offices, mediation or conciliation in order to arrive at a settlement.*

4. *Without prejudice to the exclusive and compulsory jurisdiction of the Court in the interpretation and application of this Treaty under Article 211, the parties may use any of the voluntary modes of dispute settlement provided for in this Article in the settlement of a dispute.*

**ARTICLE 189**  
**Expeditious Settlement of Disputes**

*Where a dispute arises between Member States, the parties shall proceed expeditiously to an exchange of views for the purpose of agreeing on:*

- (a) a mode of settlement and where an agreed mode has been terminated, to another mode of settlement; or*
- (b) a mutually satisfactory method of implementation where a settlement has been reached and the circumstances require consultation regarding its implementation.*

**ARTICLE 190**  
**Notification of Existence and Settlement of Disputes**

1. *Member States parties to a dispute shall notify the Secretary-General of:*

- (a) the existence and nature of the dispute; and*
- (b) any mode of dispute settlement agreed upon or initiated.*

2. *Where a settlement is reached the Member States concerned shall notify the Secretary-General of the settlement and the mode used in arriving at the settlement.*

3. *The Secretary-General shall, as soon as practicable after receiving the information pursuant to paragraphs 1 and 2, notify other Member States of the information received.*

**ARTICLE 191**  
**Good Offices**

1. *Member States parties to a dispute may agree to employ the good offices of a third party, including those of the Secretary-General, to settle the dispute.*

2. *Good offices may begin or be terminated at any time. Subject to the procedural rules applicable in respect of arbitration or adjudication, good offices may continue during the course of arbitration or adjudication.*

**ARTICLE 192**  
**Mediation**

1. *Where Member States parties to a dispute agree to settle the dispute by recourse to mediation, the parties may agree on a mediator or may request the Secretary-General to appoint a mediator from the list of conciliators mentioned in Article 196.*

2. *Mediation may begin or be terminated at any time. Subject to the procedural rules applicable in respect of arbitration or adjudication, mediation may continue during the course of arbitration or adjudication.*

3. *Proceedings involving mediation and, in particular, positions taken by parties during the proceedings, shall be confidential and without prejudice to the rights of the parties in any further proceedings.*

**ARTICLE 193**  
**Obligation to Enter Consultations**

1. *A Member State shall enter into consultations upon the request of another Member State where the requesting Member State alleges that an action taken by the requested Member State constitutes a breach of obligations arising from or under the provisions of this Treaty.*

2. *Where a request for consultations is made pursuant to paragraph 1, the requested Member State shall enter into consultations within 14 days of the receipt of the request or a mutually agreed period.*

3. *Where:*

- (a) consultations have not been entered into within the period referred to in paragraph 2; or*
- (b) the consultations fail to settle the dispute within 45 days of the receipt of the request for consultations or the dates mutually agreed,*

*the requesting Member State may resort to any mode of dispute settlement including arbitration and adjudication.*

4. *Requests for consultations shall be in writing. The request shall state the reasons for the consultations and identify the measure at issue and the legal basis for the complaint.*

5. *The Secretary-General shall be notified of any request for consultations.*

6. *Consultations shall be confidential and without prejudice to the rights of the Member States in any further proceedings. However, before resorting to further proceedings, the Member States shall employ their best endeavours to settle the dispute.*

7. *In cases of urgency including those concerning perishable goods, the requested Member State shall enter into consultations within 3 days of the receipt of the request, and where such consultations are not entered into, the requesting Member State may resort to arbitration and adjudication.*

8. *Where consultations under paragraph 7 fail to settle the dispute within 7 days of the receipt of the request for such consultations, the requesting Member State may resort to arbitration and adjudication.*

9. *Whenever a Member State, other than the consulting Member States, considers that it has a legitimate interest in consultations being held pursuant to this Article, such Member State may notify the consulting Member States and the Secretary-General, within 10 days after the date of the circulation of the request for consultations, of its desire to be joined in the consultations. Such*

*Member State shall be joined in the consultations, provided that the requested Member State agrees that the claim of legitimate interest is well-founded and based on similar facts and circumstances. In that event, the Member States concerned shall notify the Secretary-General. If the request to be joined in the consultations is not granted, the applicant Member State may request consultations under paragraph 1 of this Article.*

#### **ARTICLE 194**

##### **Obligations of Consulting Parties**

*Where Member States parties to a dispute agree to settle the dispute by consultations, they shall endeavour to arrive at a mutually satisfactory settlement of the dispute through the consultations, and to this end shall:*

- (a) provide sufficient information to enable a full examination of how the action complained of constitutes a breach of obligations arising from or under the provisions of this Treaty referred to in Article 193; and*
- (b) treat any confidential or proprietary information exchanged in the course of consultations on the same basis as it is treated by the Member State providing the information.*

#### **ARTICLE 195**

##### **Initiation of Conciliation Proceedings**

*Where Member States parties to a dispute have agreed to submit the dispute to conciliation under this Part, any such Member State may institute proceedings by notification addressed to the other party or parties to the dispute.*

#### **ARTICLE 196**

##### **Establishment of a List of Conciliators**

*1. A List of Conciliators shall be established and maintained by the Secretary-General. Every Member State shall be entitled to nominate two conciliators, each of whom shall be a person enjoying the highest reputation for fairness, competence and integrity. The names of the persons so nominated shall constitute the List. If at any time the number of conciliators nominated by a Member State is less than two, the Member State concerned shall be entitled to make such nominations as are necessary. The name of a conciliator shall remain on the List until withdrawn by the Member State which made the nomination and where a conciliator has been appointed to serve on any mediation or conciliation commission, the conciliator shall continue to serve on such commission until the completion of the relevant proceedings.*

*2. The term of a conciliator, including that of a conciliator appointed to fill a vacancy, shall be five (5) years and may be renewed.*

#### **ARTICLE 197**

##### **Constitution of Conciliation Commission**

*A conciliation commission shall be constituted from time to time as follows:*

- (a) subject to the provisions of this Article, a conciliation commission shall consist of three members;*
- (b) unless the parties otherwise agree, the party instituting the proceedings shall appoint one conciliator to be chosen from the List mentioned in Article 196. The conciliator appointed may be a national of the party making the appointment. Such an appointment shall be included in the notification*

*mentioned in Article 195;*

- (c) the other party to the dispute shall appoint a conciliator in the manner set forth in sub-paragraph (b) within ten days of the notification referred to in Article 195. If the appointment is not made within that period, the party instituting the proceedings may, within one week of the expiration of that period, either terminate the proceedings by notification addressed to the other party or request the Secretary-General to make the appointment in accordance with sub-paragraph (e);*
- (d) within ten days after both conciliators have been appointed, they shall appoint a third conciliator chosen from the List referred to in Article 196, and who shall be the Chairman. If the appointment is not made within that period either party may, within the week of the expiration of that period, request the Secretary-General to make the appointment in accordance with sub-paragraph (e);*
- (e) within ten days of the receipt of a request under sub-paragraphs (c) and (d), the Secretary-General shall make the necessary appointments from the List referred to in Article 196 in consultation with the parties to the dispute;*
- (f) any vacancy on a conciliation commission shall be filled in the manner prescribed for the initial appointment;*
- (g) two or more Member States parties to the dispute which determine by agreement that they are of the same interest shall appoint one conciliator jointly;*
- (h) in disputes involving more than two parties having separate interests, or where there is disagreement as to whether they are of the same interest, the parties shall apply sub-paragraphs (a) to (f) in so far as may be possible.*

#### **ARTICLE 198** **Amicable Settlement**

*A conciliation commission may draw to the attention of the Member States parties to the dispute any measures which might facilitate an amicable settlement of the dispute.*

#### **ARTICLE 199** **Functions of Conciliation Commission**

*A conciliation commission shall hear the Member States parties to the dispute, examine their claims and objections, and make proposals to the parties with a view to reaching an amicable settlement.*

#### **ARTICLE 200** **Procedure**

*1. A conciliation commission shall, unless the Member States parties to the dispute otherwise agree, determine its own procedure. A conciliation commission may, with the consent of the parties to the dispute, invite any Member State to submit its views to the commission, orally or in writing. The report and recommendations and decisions of the commission regarding procedural matters shall be made by a majority vote of its members.*

*2. The Member States parties to the dispute may, by agreement applicable solely to that dispute, modify the procedure referred to in paragraph 1.*

#### **ARTICLE 201** **Report**

*1. A conciliation commission shall report within three months of its constitution. Its*

*report shall record any agreements reached and, failing agreement, its conclusions on all questions of fact or law relevant to the matter in dispute and such recommendations as a conciliation commission may deem appropriate for an amicable settlement.*

2. *The conclusions or recommendations of a conciliation commission shall not be binding upon the parties.*

#### **ARTICLE 202** **Termination**

*The conciliation proceedings shall be deemed to be terminated when a settlement has been reached, when the parties have accepted or one party has rejected the recommendations of the report by notification addressed to the Secretary-General, or when a period of one month has expired from the date of transmission of the report to the parties.*

#### **ARTICLE 203** **Fees and Expenses**

*The fees and expenses of a conciliation commission shall be borne by the Member States parties to the dispute.*

#### **ARTICLE 204** **Arbitration**

*A Member State party to a dispute may, with the consent of the other party, refer the matter to an arbitral tribunal constituted in accordance with the provisions of this Chapter.*

#### **ARTICLE 205** **Constitution of the List of Arbitrators**

1. *For the purposes of constituting the arbitral tribunal referred to in Article 206, the Secretary-General shall establish and maintain a List of Arbitrators comprising persons chosen strictly on the basis of impartiality, reliability and sound judgment and who shall:*

- (a) have expertise or experience in law, international trade, other matters covered by this Treaty, or the settlement of disputes arising under international trade agreements;*
- (b) be independent of, and not be affiliated with or take instructions from any Member State; and*
- (c) comply with the Code of Judicial Conduct governing the behaviour of judges of the Court.*

2. *The term of an arbitrator, including that of any arbitrator nominated to fill a vacancy, shall be five years and may be renewed.*

#### **ARTICLE 206** **Constitution of Arbitral Tribunal**

1. *Each of the Member States parties to a dispute shall be entitled to appoint one arbitrator from the List of Arbitrators. The two arbitrators chosen by the parties shall be appointed within fifteen days following the decision to refer the matter to arbitration. The two arbitrators shall, within fifteen days following the date of their appointments, appoint a third arbitrator from the List who shall be the Chairman. As far as practicable, the arbitrators shall not be nationals of any of the parties to the dispute.*

2. *Where either party to the dispute fails to appoint its arbitrator under paragraph 1, the*

*Secretary-General shall appoint the arbitrator within ten days. Where the arbitrators fail to appoint a Chairman within the time prescribed, the Secretary-General shall appoint a Chairman within ten days.*

3. *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 of Arbitrators within fifteen days following the decision to refer the matter to arbitration and the two arbitrators shall within fifteen days of their appointment appoint a third arbitrator from the List who shall be the Chairman.*

4. *Where no agreement is reached under paragraph three, the Secretary-General shall make the appointment within ten days and where the arbitrators fail to appoint a Chairman within the time prescribed the Secretary-General shall make the appointment within ten days.*

5. *Notwithstanding paragraphs 1, 2, 3 and 4, Member States parties to a dispute may refer the matter to arbitration and consent to the Secretary-General appointing a sole arbitrator from the list who shall not be a national of a Party to the dispute.*

#### **ARTICLE 207**

##### **Rules of Procedure of Arbitral Tribunal**

1. *Subject to the relevant provisions of this Chapter, the arbitral tribunal shall establish its own rules of procedure.*

2. *The procedures shall assure a right to at least one hearing before the arbitral tribunal as well as the opportunity to provide initial and rebuttal written submissions.*

3. *The arbitral tribunal's hearings, deliberations and initial report, and all written submissions to and communications with the arbitral tribunal, shall be confidential.*

4. *The arbitral tribunal may invite any Member State to submit views orally or in writing.*

5. *The award of the arbitral tribunal shall be confined to the subject matter of the dispute and shall state the reasons on which it is based.*

6. *Where the parties cannot agree on the interpretation or implementation of the award, either party may apply to the arbitral tribunal for a ruling within thirty days of the award. The term of the arbitral tribunal shall come to an end unless an application for a ruling has been received, in which case it shall continue for such reasonable time, not exceeding thirty days, as may be required to make the ruling.*

7. *Decisions of the arbitral tribunal shall be taken by a majority vote of its members and shall be final and binding on the Member States parties to the dispute.*

#### **ARTICLE 208**

##### **Third Party Intervention**

*A Member State which is not a party to a dispute, on delivery of a notification to the parties to a dispute and to the Secretary-General, shall be entitled to attend all hearings and to receive written submissions of the parties to a dispute and may be permitted to make oral or written submissions to the arbitral tribunal.*

#### **ARTICLE 209**

##### **Additional Information from Experts**

*Where proceedings have commenced, the arbitral tribunal may, on its own initiative or on the request of a party to the dispute, seek information and technical advice from any expert or body that it considers appropriate, provided that the parties to the dispute so agree and subject to*

*such terms and conditions as the parties may agree.*

**ARTICLE 210**  
***Expenses of Arbitral Tribunal***

1. *The expenses of the arbitral tribunal, including the fees and subsistence allowances of arbitrators and experts engaged for the purposes of a dispute, shall be borne equally by the Member States parties to the dispute unless the arbitral tribunal, taking into account the circumstances of the case, otherwise determines.*

2. *Where a third party intervenes in the proceedings, the party shall bear the costs associated with the intervention.*

**ARTICLE 211**  
***Jurisdiction of the Court in Contentious Proceedings***

1. *Subject to this Treaty, the Court shall have compulsory and exclusive jurisdiction to hear and determine disputes concerning the interpretation and application of the Treaty, including:*

- (a) disputes between the Member States parties to the Agreement;*
- (b) disputes between the Member States parties to the Agreement and the Community;*
- (c) referrals from national courts of the Member States parties to the Agreement;*
- (d) applications by persons in accordance with Article 222,*

*concerning the interpretation and application of this Treaty.*

2. *For the purpose of this Chapter, “national courts” includes the Eastern Caribbean Supreme Court.*

**ARTICLE 212**  
***Advisory Opinions of the Court***

1. *The Court shall have exclusive jurisdiction to deliver advisory opinions concerning the interpretation and application of the Treaty.*

2. *Advisory opinions shall be delivered only at the request of the Member States parties to a dispute or the Community.*

**ARTICLE 213**  
***Institution of Proceedings***

*Any party to a dispute may institute proceedings in accordance with the Rules of Court governing Original Jurisdiction.*

**ARTICLE 214**  
***Referral to the Court***

*Where a national court or tribunal of a Member State is seised of an issue whose resolution involves a question concerning the interpretation or application of this Treaty, the court or tribunal concerned shall, if it considers that a decision on the question is necessary to enable it to deliver judgment, refer the question to the Court for determination before delivering judgment.*

**ARTICLE 215**  
**Compliance with Judgments of the Court**

*The Member States, Organs, Bodies of the Community, entities or persons to whom a judgment of the Court applies, shall comply with that judgment promptly.*

**ARTICLE 216**  
**Compulsory Jurisdiction of the Court**

1. *The Member States agree that they recognise as compulsory, ipso facto and without special agreement, the original jurisdiction of the Court referred to in Article 211.*

2. *In the event of a dispute as to whether the Court has jurisdiction, the matter shall be determined by decision of the Court.*

**ARTICLE 217**  
**Law to be Applied by the Court in the Exercise of its Original Jurisdiction**

1. *The Court, in exercising its original jurisdiction under Article 211, shall apply such rules of international law as may be applicable.*

2. *The Court may not bring in a finding of non liquet on the ground of silence or obscurity of the law.*

3. *The provisions of paragraphs 1 and 2 shall not prejudice the power of the Court to decide a dispute ex aequo et bono if the parties so agree.*

**ARTICLE 218**  
**Application for Interim Measures**

*The Court shall have the power to prescribe, if it considers the circumstances so require, any interim measures that ought to be taken to preserve the rights of either party.*

**ARTICLE 219**  
**Revision of Judgments of the Court in the Exercise of its Original Jurisdiction**

1. *The Court shall, in the exercise of its Original Jurisdiction, be competent to revise its judgment on an application made in that behalf.*

2. *An application for the revision of a judgment of the Court in the exercise of its original jurisdiction may be made only when it is based upon the discovery of some fact of such a nature as to be a decisive factor, which fact was, when the judgment was given, unknown to the Court and to the party claiming revision: provided always the ignorance of that fact was not due to negligence on the part of the applicant.*

3. *Proceedings for a revision shall be opened by a judgment of the Court expressly recording the existence of the new fact, recognising that it has such a character as to lay the case open to revision, and declaring the application admissible on this ground.*

4. *The Court may require previous compliance with the terms of the judgment before it admits proceedings for a revision.*

5. *The application for a revision shall be made within six months of the discovery of the*

*new fact.*

6. *No application for a revision may be made after the lapse of five years from the date of the judgment.*

**ARTICLE 220**  
**Rules of Court Governing Original Jurisdiction**

*The Rules of Court established by the President of the Court in accordance with Article XXI of the Agreement shall apply in the exercise of the original jurisdiction of the Court.*

**ARTICLE 221**  
**Judgment of the Court to Constitute Stare Decisis**

*Judgments of the Court shall constitute legally binding precedents for parties in proceedings before the Court unless such judgments have been revised in accordance with Article 219.*

**ARTICLE 222**  
**Locus Standi of Private Entities**

*Persons, natural or juridical, of a Contracting Party may, with the special leave of the Court, be allowed to appear as parties in proceedings before the Court where:*

- (a) the Court has determined in any particular case that this Treaty intended that a right or benefit conferred by or under this Treaty on a Contracting Party shall enure to the benefit of such persons directly; and*
- (b) the persons concerned have established that such persons have been prejudiced in respect of the enjoyment of the right or benefit mentioned in paragraph (a) of this Article; and*
- (c) the Contracting Party entitled to espouse the claim in proceedings before the Court has:*
  - (i) omitted or declined to espouse the claim, or*
  - (ii) expressly agreed that the persons concerned may espouse the claim instead of the Contracting Party so entitled; and*
- (d) the Court has found that the interest of justice requires that the persons be allowed to espouse the claim.*

**ARTICLE 223**  
**Alternative Disputes Settlement**

1. *The Member States shall, to the maximum extent possible, encourage and facilitate the use of arbitration and other modes of alternative disputes settlement for the settlement of private commercial disputes among Community nationals as well as among Community nationals and nationals of third States.*

2. *Each Member State shall provide appropriate procedures in its legislation to ensure observance of agreements to arbitrate and for the recognition and enforcement of arbitral awards in such disputes.*

3. *A Member State which has implemented the 1958 United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards or the Arbitration Rules of the United Nations*

*Commission on International Trade Law shall be deemed to be in compliance with the provisions of paragraph 2 of this Article.*

**ARTICLE 224**  
**General Undertaking**

*Each Member State undertakes to employ its best endeavours to complete the constitutional and legislative procedures required for its participation in the regime establishing the Court as soon as possible.*

**CHAPTER TEN**  
**GENERAL AND FINAL PROVISIONS**

**ARTICLE 225**  
**Security Exceptions**

*Nothing in this Treaty shall be construed:*

- (a) as requiring any Member State to furnish information, the disclosure of which it considers contrary to its essential security interests;*
- (b) as preventing any Member State from taking any action which it considers necessary for the protection of its essential security interests:*
  - (i) relating to the supply of services carried out directly or indirectly for the purpose of provisioning a military establishment;*
  - (ii) in time of war or other emergency in international relations; or*
- (c) as preventing any Member State from taking any action in pursuance of its obligations for the maintenance of international peace and security.*

**ARTICLE 226**  
**General Exceptions**

*1. Nothing in this Chapter shall be construed as preventing the adoption or enforcement by any Member State of measures:*

- (a) to protect public morals or to maintain public order and safety;*
- (b) to protect human, animal or plant life or health;*
- (c) 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;*
- (d) necessary to protect intellectual property or to prevent deceptive practices;*
- (e) relating to gold or silver;*
- (f) relating to the products of prison labour;*
- (g) relating to child labour;*
- (h) imposed for the protection of national treasures of artistic, historic or*

*archaeological value;*

- (i) necessary to prevent or relieve critical food shortages in any exporting Member State;*
- (j) relating to the conservation of natural resources or the preservation of the environment;*
- (k) to secure compliance with laws or regulations which are not inconsistent with the provisions of this Treaty including those relating to:*
  - (i) the prevention of deceptive and fraudulent practices, and the effects of a default on contracts;*
  - (ii) the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidentiality of individual records and accounts; and*
- (l) to give effect to international obligations including treaties on the avoidance of double taxation,*

*but only if such measures do not constitute arbitrary or unjustifiable discrimination between Member States where like conditions prevail, or a disguised restriction on trade within the Community.*

2. Measures taken by the Member States pursuant to paragraph 1 shall be notified to COTED.

3. The Community Council shall take appropriate measures to co-ordinate applicable legislation, regulations and administrative practices established in accordance with Article 44.

#### **ARTICLE 227** **Notification**

*Where in this Treaty provision is made for notification to an Organ of the Community, such notification shall be effected through the Secretariat.*

#### **ARTICLE 228** **Legal Capacity of the Community**

1. The Community shall have full juridical personality.

2. Every Member State shall in its territory accord to the Community the most extensive legal capacity accorded to legal persons under its laws including the capacity to acquire and dispose of movable and immovable property and to sue and be sued in its own name. In any legal proceedings, the Community shall be represented by the Secretariat.

3. The Community may also conclude agreements with States and International Organisations.

4. The Member States agree to take such action as is necessary to give effect in their territories to the provisions of this Article and shall promptly inform the Secretariat of such action.

#### **ARTICLE 229** **Privileges and Immunities of the Community**

1. The Headquarters Agreement concluded between the Caribbean Community and Common Market and the Government of Guyana on 23 January 1976 shall continue to govern relations between the Community and the host country.

2. *The Protocol on Privileges and Immunities concluded by the Member States in connection with the Caribbean Community and Common Market shall govern relations between the Community and such Member States.*

**ARTICLE 230**  
***Negotiation and Conclusion of Agreements***

1. *Conference may designate any Organ or Body of the Community to negotiate agreements for the achievement of the objectives of the Community.*

2. *Conference may delegate to the Secretary-General the conclusion of agreements, particularly technical assistance agreements, on behalf of the Community.*

**ARTICLE 231**  
**Associate Membership**

*Conference may admit any Caribbean State or Territory to associate membership of the Community on such terms and conditions as Conference thinks fit.*

**ARTICLE 232**  
**Signature**

*This Treaty shall be open for signature on the 5th day of July 2001 by the States mentioned in paragraph 1 of Article 3.*

**ARTICLE 233**  
**Ratification**

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

**ARTICLE 234**  
**Entry Into Force**

*This Treaty shall enter into force on the deposit of the last instrument of ratification by the States mentioned in paragraph 1 of Article 3*

**ARTICLE 235**  
**Registration**

*This Treaty and any amendments thereto shall be registered with the Secretariat of the United Nations in accordance with Article 102 of the Charter of the United Nations*

**ARTICLE 236**  
**Amendments**

1. *This Treaty may be amended by the unanimous decision of the Parties.*
2. *An amendment shall enter into force one month after the date on which the last instrument of ratification is deposited with the Secretariat.*

**ARTICLE 237**  
**Reservations**

*Reservations may be entered to this Treaty with the consent of the signatory States.*

**ARTICLE 238**  
**Accession**

1. *After the entry into force of this Treaty a State or Territory of the Caribbean may, if Conference so determines, accede to this Treaty.*
2. *Accession shall be on such terms and conditions as Conference decides and shall take effect one month following the deposit of the instrument of accession with the Secretariat.*

**ARTICLE 239**  
**Undertaking**

*The Member States undertake to elaborate a Protocol relating, inter alia, to:*

- (a) electronic commerce;*
- (b) government procurement*
- (c) treatment of goods produced in free zones and similar jurisdictions;*
- (d) free circulation of goods in the CSME, and*
- (e) rights contingent on establishment, provision of services and movement of capital in the Community.*

**ARTICLE 240**  
**Saving**

1. *Decisions of competent Organs taken under this Treaty shall be subject to the relevant constitutional procedures of the Member States before creating legally binding rights and obligations for nationals of such States.*

2. *The Member States undertake to act expeditiously to give effect to decisions of competent Organs and Bodies in their municipal law.*

3. *COTED shall monitor and keep under review the implementation of the provisions of this Article and shall convene a review conference of Member States within five years from the entry into force of this Treaty.*

**IN WITNESS WHEREOF**, the undersigned Heads of Government have appended their signatures to this Treaty.

**DONE at** \_\_\_\_\_  
*this \_\_\_\_\_ day of \_\_\_\_\_ 2001 in a single copy which shall be deposited with the Secretary-General of the Community by whom certified copies will be communicated to all the signatories.*

*Signed by*  
*for the Government of Antigua and Barbuda on the \_\_\_\_\_ day of \_\_\_\_\_ 2001*  
*at*

*Signed by*

*for the Government of Barbados on the                      day of                      2001*  
*at*

*Signed by*  
*for the Government of Belize on the                      day of                      2001*  
*at*

*Signed by*  
*for the Government of the Commonwealth of Dominica on the                      day of*  
*2001 at*

*Signed by*  
*for the Government of Grenada on the                      day of                      2001*  
*at*

*Signed by*  
*for the Government of the Co-operative Republic of Guyana on the*  
*day of                      2001 at*

*Signed by*  
*for the Government of Jamaica on the                      day of                      2001*  
*at*

*Signed by*  
*for the Government of Montserrat on the                      day of                      2001*  
*at*

*Signed by*  
*for the Government of St. Kitts and Nevis on the*                      *day of*                      *2001*  
*at*

*Signed by*  
*for the Government of Saint Lucia on the*                      *day of*                      *2001*  
*at*

*Signed by*  
*for the Government of St. Vincent and the Grenadines on the*                      *day of*  
*2001 at*

*Signed by*  
*for the Government of The Republic of Suriname on the*                      *day of*  
*2001 at*

*Signed by*  
*for the Government of The Republic of Trinidad and Tobago on the*  
*day of*                      *2001 at*

*Signed by*  
*for the Government of the Republic of Haiti on the*                      *day of*                      *2002.*

## **ANNEX I**

**(Paragraph 5 of Article 100)**

### **DEFINITION OF DOMESTIC INDUSTRY**

1. *For the purposes of this Protocol, the term "domestic industry" shall, except as provided in paragraph 4, be interpreted as referring to the domestic producers as a whole of the like products or to those of them whose collective output of the products constitutes a major proportion of the total domestic production of those products, except that when producers are related to the exporters or importers or are themselves importers of the allegedly subsidised or dumped product or a like product from other countries, the term "domestic industry" may be interpreted as referring to the rest of the producers.*

2. *In exceptional circumstances, the territory of a Member State may, for the production in question, be divided into two or more competitive markets and the producers within each market may be regarded as a separate industry if (a) the producers within such market sell all or almost all of their production of the product in question in that market, and (b) the demand in that market is not to any substantial degree supplied by producers of the product in question located elsewhere in the territory. In such circumstances, injury may be found to exist even where a major portion of the total domestic industry is not injured, provided there is a concentration of subsidised or dumped imports into such an isolated market and provided further that the subsidised imports are causing injury to the producers of all or almost all of the production within such market.*

3. *When the domestic industry has been interpreted as referring to the producers in a certain area, i.e., a market as defined in paragraph 2, countervailing duties shall be levied only on the products in question consigned for final consumption to that area. When the constitutional law of the importing Member State does not permit the levying of countervailing or anti-dumping duties on such a basis, the importing Member State may levy the relevant duties without limitation only if (a) the exporters shall have been given an opportunity to cease exporting at subsidised or dumped prices to the area concerned or otherwise give assurances pursuant to Article 116 or 133 and adequate assurances in this regard have not been promptly given, and (b) such duties cannot be levied only on products of specific producers which supply the area in question.*

4. *Whenever an investigation is being undertaken by the Community on behalf of the domestic industry which has alleged injury from extra-regional imports, the domestic industry in the CSME shall be taken to be the industry referred to in paragraphs 1 and 2 consistent with the provisions of paragraph 8(a) of Article XXIV of GATT 1994.*

**ANNEX II**  
**(Paragraph 3 of Article 98)**

**CONSULTATIONS**

1. *As soon as possible after an application for an investigation is accepted and in any event before the initiation of any investigation, a Member State whose products may be subject to such investigation, shall be invited for consultations with the aim of clarifying the situation and arriving at a mutually agreed solution.*

2. *Furthermore, throughout the period of investigation, a Member State whose products are the subject of the investigation shall be afforded a reasonable opportunity to continue consultations, with a view to clarifying the factual situation and to arriving at a mutually agreed solution.*

3. *Without prejudice to the obligation to afford reasonable opportunity for consultations, these provisions regarding consultations are not intended to prevent the authorities of a Member State from proceeding expeditiously with regard to initiating the investigation, reaching preliminary or final determinations, whether affirmative or negative, or from applying provisional or final measures, in accordance with the provisions of this Agreement.*

4. *The Member State which intends to initiate any investigation or is conducting such an investigation shall permit, upon request, the Member State whose products are subject to such investigation access to non-confidential evidence, including any non-confidential summary of confidential data being used for initiating or conducting the investigation.*

## **ANNEX III(a)**

### **ILLUSTRATIVE LIST OF INFORMATION REQUIRED BY ARTICLES 100, 106 and 112**

- (i) *The identity of the applicant and a description of the volume and value of the domestic production of the like product by the applicant. Where a written application is made on behalf of the domestic industry, the application shall identify the industry on behalf of which the application is made by a list of all known domestic producers of the like product (or associations of domestic producers of the like product) and, to the extent possible, a description of the volume and value of domestic production of the like product accounted for by such producers;*
- (ii) *a complete description of the allegedly subsidised product, the names of the country or countries of origin or export in question, the identity of each known exporter or foreign producer and a list of known persons importing the product in question;*
- (iii) *evidence with regard to the existence, amount and nature of the subsidy in question;*
- (iv) *evidence that alleged injury to a domestic industry is caused by subsidised imports through the effects of the subsidies; this evidence includes information on the evolution of the volume of the allegedly subsidised imports, the effect of these imports on prices of the like product in the domestic market and the consequent impact of the imports on domestic industry, as demonstrated by relevant factors and indices having a bearing on the state of the domestic industry.*

## **ANNEX III (b)**

### **ILLUSTRATIVE LIST OF INFORMATION REQUIRED BY ARTICLE 129**

- (i) *The identity of the applicant and a description of the volume and value of the domestic production of the like product by the applicant. Where a written application is made on behalf of the domestic industry, the application shall identify the industry on behalf of which the application is made by a list of all known domestic producers of the like product (or associations of domestic producers of the like product) and, to the extent possible, a description of the volume and value of domestic production of the like product accounted for by such producers;*
- (ii) *A complete description of the allegedly dumped product, the names of the country or countries of origin or export in question, the identity of each known exporter or foreign producer and a list of known persons importing the product in question;*
- (iii) *Information on prices at which the product in question is sold when destined for consumption in the domestic markets of the country or countries of origin or export (or, where appropriate, information on the prices at which the product is sold from the country or countries of origin or export to a third country or countries, or on the constructed value of the product) and information on export prices or, where appropriate, on the prices at which the product is first resold to an independent buyer in the territory of the importing Member State;*
- (iv) *Information on the evolution of the volume of the allegedly dumped imports, the effect of these imports on prices of the like product in the domestic market and the consequent impact of the imports on the domestic industry, as demonstrated by relevant factors and indices having a bearing on the state of the domestic industry, such as those referred to in Article 128.*

**ANNEX IV**  
(Paragraph 2 of Article 117)

**PRODUCT COVERAGE<sup>1</sup>**

*This Protocol shall cover the following products:*

- (i) *HS Chapters 1-24 less fish and fish products, forestry and forest products plus\*;*
- (ii)
 

|                    |                       |                                                            |
|--------------------|-----------------------|------------------------------------------------------------|
| <i>HS Code</i>     | <i>2905.43</i>        | <i>(mannitol)</i>                                          |
| <i>HS Code</i>     | <i>2905.44</i>        | <i>(sorbitol)</i>                                          |
| <i>HS Heading</i>  | <i>33.01</i>          | <i>(essential oils)</i>                                    |
| <i>HS Headings</i> | <i>35.01 to 35.05</i> | <i>(albuminoidal substances, modified starches, glues)</i> |
| <i>HS Code</i>     | <i>3809.10</i>        | <i>(fishing agents)</i>                                    |
| <i>HS Code</i>     | <i>3823.60</i>        | <i>(sorbitol n.e.p.)</i>                                   |
| <i>HS Headings</i> | <i>41.01 to 41.03</i> | <i>(hides and skins)</i>                                   |
| <i>HS Headings</i> | <i>43.01</i>          | <i>(raw furskins)</i>                                      |
| <i>HS Headings</i> | <i>50.01 to 50.03</i> | <i>(raw silk and silk waste)</i>                           |
| <i>HS Headings</i> | <i>51.01 to 51.03</i> | <i>(wool and animal hair)</i>                              |
| <i>HS Headings</i> | <i>52.01 to 52.03</i> | <i>(raw cotton, waste and cotton carded or combed)</i>     |
| <i>HS Heading</i>  | <i>53.01</i>          | <i>(raw flax)</i>                                          |
| <i>HS Heading</i>  | <i>53.02</i>          | <i>(raw hemp)</i>                                          |

*\* The product descriptions in round brackets are not necessarily exhaustive.*

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<sup>1</sup> *The product coverage is the same as that of the WTO Agreement on Agriculture.*

## ANNEX V

## OATH OF OFFICE OF JUDGES OF THE COURT

*I yyyyyyyyyyyyyyy. do hereby swear (or solemnly affirm) that I will faithfully exercise the office of Commissioner of the Competition Commission without fear or favour, affection or ill-will.*

(so help me God (to be omitted in affirmation)).

## **SCHEDULE I**

### **LIST OF CONDITIONS TO BE COMPLIED WITH AS PROVIDED UNDER ARTICLE 84 OF THE TREATY AND THE RULES REGARDING COMMUNITY ORIGIN**

*This Schedule consists of -*

- (a) *A List comprising goods referred to in sub-paragraph (b) (ii) of paragraph 1 of Article 84 of the Treaty (hereinafter referred to as “the List”);*
- (b) *the Rules regarding Community Origin.*

## **EXPLANATORY NOTE**

*The application of the List is governed by the following general notes:*

- (i) In this List, where a tariff heading number is preceded by the word "ex", only those products of that heading specified in the column headed "Product" are referred to. Descriptions of finished products and of materials are to be interpreted according to the relative Section and Chapter Notes of the Harmonised Commodity Description and Coding System (HS) and the General Rules for the Interpretation of the Harmonised System.*
- (ii) Four figure references of the type "04.02", "17.04", etc. are references to the headings of the Harmonised Commodity Description and Coding System (HS).*
- (iii) Where the condition to be complied with for any product does not prescribe the use of regional materials, it shall always be understood that materials imported from outside the Community or of undetermined origin may be used. If such materials are used in a more advanced state of processing than that specified in the List, the finished product shall be ineligible for Community treatment.*

(a) THE LIST

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                        | CONDITIONS TO BE COMPLIED WITH                                                                                                                                                           |                                                                                                                                                                                          |
|-----------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                | MDCs                                                                                                                                                                                     | LDCs                                                                                                                                                                                     |
| 02.01                       | Meat of bovine animals, fresh or chilled                                                                       | Produced from bovine animals of 01.02 imported from outside the Common Market, provided that the weight of each animal did not exceed 270 kg on first importation into the Common Market | Produced from bovine animals of 01.02 imported from outside the Common Market, provided that the weight of each animal did not exceed 270 kg on first importation into the Common Market |
| 02.02                       | Meat of bovine animals, frozen                                                                                 | Produced from bovine animals of 01.02 imported from outside the Common Market, provided that the weight of each animal did not exceed 270 kg on first importation into the Common Market | Produced from bovine animals of 01.02 imported from outside the Common Market, provided that the weight of each animal did not exceed 270 kg on first importation into the Common Market |
| 02.03                       | Meat of swine, fresh, chilled or frozen                                                                        | Wholly produced                                                                                                                                                                          | Wholly produced                                                                                                                                                                          |
| 02.04                       | Meat of sheep or goats, fresh, chilled or frozen                                                               | Wholly produced                                                                                                                                                                          | Wholly produced                                                                                                                                                                          |
| 02.05                       | Meat of horses, asses, mules or hinnies, fresh, chilled or frozen                                              | Wholly produced                                                                                                                                                                          | Wholly produced                                                                                                                                                                          |
| 02.06                       | Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen | Wholly produced                                                                                                                                                                          | Wholly produced                                                                                                                                                                          |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                       | CONDITIONS TO BE COMPLIED WITH |                 |
|-----------------------------|-------------------------------|--------------------------------|-----------------|
|                             |                               | MDCs                           | LDCs            |
| 02.07                       | Meat and edible offal, of the | Wholly produced                | Wholly produced |

|                 |                                                                                                                                                    |                                                                                                                                                                                                              |                                                                                                                                                                                                              |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                 | <i>poultry of heading No. 01.05, fresh, chilled or frozen</i>                                                                                      |                                                                                                                                                                                                              |                                                                                                                                                                                                              |
| <i>02.08</i>    | <i>Other meat and edible meat offal, fresh, chilled or frozen</i>                                                                                  | <i>Wholly produced</i>                                                                                                                                                                                       | <i>Wholly produced</i>                                                                                                                                                                                       |
| <i>02.09</i>    | <i>Pig fat, free of lean meat, and poultry fat, not rendered or otherwise extracted, fresh, chilled, frozen, salted, in brine, dried or smoked</i> | <i>Wholly produced</i>                                                                                                                                                                                       | <i>Wholly Produced</i>                                                                                                                                                                                       |
| <i>02.10</i>    | <i>Meat and edible meat offal, salted, in brine, dried or smoked; edible flours and meals of meat or meat offal</i>                                | <i>Wholly produced</i>                                                                                                                                                                                       | <i>Wholly produced</i>                                                                                                                                                                                       |
| <i>Chap. 3</i>  | <i>Fish and crustaceans, molluscs and other aquatic invertebrates</i>                                                                              | <i>Wholly produced</i>                                                                                                                                                                                       | <i>Wholly produced</i>                                                                                                                                                                                       |
| <i>ex.04.01</i> | <i>UHT milk; pasteurised milk</i>                                                                                                                  | <i>Produced from regional materials of 04.01 or from materials of 04.02 provided that the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product</i> | <i>Produced from regional materials of 04.01 or from materials of 04.02 provided that the value of extra-regional materials used does not exceed 70 per cent of the export price of the finished product</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                       | CONDITIONS TO BE COMPLIED WITH                                                                                                                                                                        |                                                                                                                                                                                                       |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                               | MDCs                                                                                                                                                                                                  | LDCs                                                                                                                                                                                                  |
| 04.02                       | Milk and cream, concentrated or containing added sugar or other sweetening matter                                                             | Produced from regional materials of 04.01 or from materials of 04.02 provided that the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product | Produced from regional materials of 04.01 or from materials of 04.02 provided that the value of extra-regional materials used does not exceed 70 per cent of the export price of the finished product |
| ex 04.06                    | Cheese                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product                                                                | Production in which the value of extra-regional materials used does not exceed 70 per cent of the export price of the finished product                                                                |
| 05.02                       | Pigs', hogs' or boars' bristles and hair; badger hair and other brush making hair; waste of such bristles or hair                             | Wholly produced                                                                                                                                                                                       | Wholly produced                                                                                                                                                                                       |
| 05.03                       | Horsehair and horsehair waste, whether or not put up as a layer with or without supporting material                                           | Wholly produced                                                                                                                                                                                       | Wholly produced                                                                                                                                                                                       |
| 05.04                       | Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof, fresh, chilled, frozen, salted, in brine, dried or smoked | Wholly produced                                                                                                                                                                                       | Wholly produced                                                                                                                                                                                       |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                      | CONDITIONS TO BE COMPLIED WITH                       |                                                      |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                              | MDCs                                                 | LDCs                                                 |
| 05.05                       | <i>Skins and other parts of birds, with their feathers or down, feathers and parts of feathers (whether or not with trimmed edges) and down, not further worked than cleaned, disinfected or treated for preservation; powder and waste of feathers or parts of feathers</i> | <i>Wholly produced</i>                               | <i>Wholly produced</i>                               |
| 05.06                       | <i>Bones and horn-cores, unworked, defatted, simply prepared (but not cut to shape), treated with acid or degelatinised; powder and waste of these products</i>                                                                                                              | <i>Wholly produced</i>                               | <i>Wholly produced</i>                               |
| 05.07                       | <i>Ivory, tortoise-shell, whalebone and whalebone hair, horns, antlers, hooves, nails, claws and beaks, unworked or simply prepared but not cut to shape; powder and waste of these products</i>                                                                             | <i>Wholly produced</i>                               | <i>Wholly produced</i>                               |
| 05.10                       | <i>Ambergris, castoreum, civet and musk; cantharides; bile, whether or not dried; glands and other animal products used in the preparation of pharmaceutical products, fresh, chilled, frozen or otherwise provisionally preserved</i>                                       | <i>Wholly produced</i>                               | <i>Wholly produced</i>                               |
| 05.11                       | <i>Animal products not elsewhere specified or included; dead animals of Chapter 1 or 3, unfit for human consumption</i>                                                                                                                                                      | <i>Wholly produced</i>                               | <i>Wholly produced</i>                               |
| ex 06.03                    | <i>Bouquets, floral baskets, wreaths and similar articles</i>                                                                                                                                                                                                                | <i>Produced from regional materials of Chapter 6</i> | <i>Produced from regional materials of Chapter 6</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                         | CONDITIONS TO BE COMPLIED WITH                          |                                                         |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
|                             |                                                                                                                                                                                                 | MDCs                                                    | LDCs                                                    |
| ex 06.04                    | Bouquets, floral baskets, wreaths and similar articles                                                                                                                                          | Produced from regional materials of Chapter 6           | Produced from regional materials of Chapter 6           |
| 07.10                       | Vegetables (uncooked or cooked by steaming or boiling in water), frozen                                                                                                                         | Wholly produced                                         | Wholly produced                                         |
| 07.11                       | Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption | Wholly produced                                         | Wholly produced                                         |
| 07.12                       | Dried vegetables, whole, cut, sliced, broken or in powder, but not further prepared                                                                                                             | Wholly produced                                         | Wholly produced                                         |
| 07.13                       | Dried leguminous vegetables, shelled, whether or not skinned or split                                                                                                                           | Wholly produced                                         | Wholly produced                                         |
| ex 08.11                    | Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, not containing added sugar or other sweetening matter                                                               | Wholly produced                                         | Wholly produced                                         |
| ex 08.11                    | Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, containing added sugar or other sweetening matter                                                                   | Produced from regional materials of Chapter 8 and 17.01 | Produced from regional materials of Chapter 8 and 17.01 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                     | CONDITIONS TO BE COMPLIED WITH                                                                                                                |                                                                                                                                               |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                             | MDCs                                                                                                                                          | LDCs                                                                                                                                          |
| 08.12                       | <i>Fruit and nuts, provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption</i> | <i>Wholly produced</i>                                                                                                                        | <i>Wholly produced</i>                                                                                                                        |
| 08.13                       | <i>Fruit, dried, other than that of headings Nos. 08.01 to 08.06; mixtures of nuts or dried fruits of this Chapter</i>                                                                                      | <i>Wholly produced</i>                                                                                                                        | <i>Wholly produced</i>                                                                                                                        |
| 08.14                       | <i>Peel of citrus fruit or melons (including watermelons), fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions</i>                                | <i>Wholly produced</i>                                                                                                                        | <i>Wholly produced</i>                                                                                                                        |
| ex 09.02                    | <i>Herbal tea</i>                                                                                                                                                                                           | <i>Production in which the value of extra-regional materials used does not exceed 40 per cent of all materials used</i>                       | <i>Production in which the value of extra-regional materials used does not exceed 40 per cent of all materials used</i>                       |
| ex 09.10                    | <i>Cummin powder and ground rosemary</i>                                                                                                                                                                    | <i>Wholly produced</i>                                                                                                                        | <i>Wholly produced</i>                                                                                                                        |
| ex 09.10                    | <i>Mixed spices (including curry)</i>                                                                                                                                                                       | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| ex 11.02                    | <i>Cereal flours other than of wheat</i>                                                                                                                                                                    | <i>Wholly produced</i>                                                                                                                        | <i>Wholly produced</i>                                                                                                                        |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                      | CONDITIONS TO BE COMPLIED WITH |                        |
|-----------------------------|--------------------------------------------------------------|--------------------------------|------------------------|
|                             |                                                              | MDCs                           | LDCs                   |
| ex 11.03                    | <i>Cereal groats, meal and pellets (other than cornmeal)</i> | <i>Wholly produced</i>         | <i>Wholly produced</i> |

|       |                                                                                                                                                                                         |                 |                 |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| 11.04 | Cereal grains otherwise worked (for example, hulled, rolled, flaked, pearled, sliced or kibbled), except rice of heading No. 10.06; germ or cereals, whole, rolled, flaked or ground    | Wholly produced | Wholly produced |
| 11.05 | Flour, meal, powder flakes, granules and pellets, of potatoes                                                                                                                           | Wholly produced | Wholly produced |
| 11.06 | Flour, meal and powder of the dried leguminous vegetables of heading No. 07.13, of sago or of roots or tubers of heading No. 07.14; flour, meal and powder of the products of Chapter 8 | Wholly produced | Wholly produced |
| 11.07 | Malt, whether or not roasted                                                                                                                                                            | Wholly produced | Wholly produced |
| 11.08 | Starches; inulin                                                                                                                                                                        | Wholly produced | Wholly produced |
| 11.09 | Wheat gluten, whether or not dried                                                                                                                                                      | Wholly produced | Wholly produced |
| 12.01 | Soya beans, whether or not broken                                                                                                                                                       | Wholly produced | Wholly produced |
| 12.02 | Ground-nuts, not roasted or otherwise cooked, whether or not shelled or broken                                                                                                          | Wholly produced | Wholly produced |
| 12.03 | Copra                                                                                                                                                                                   | Wholly produced | Wholly produced |
| 12.04 | Linseed, whether or not broken                                                                                                                                                          | Wholly produced | Wholly produced |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                          | CONDITIONS TO BE COMPLIED WITH |                 |
|-----------------------------|--------------------------------------------------------------------------------------------------|--------------------------------|-----------------|
|                             |                                                                                                  | MDCs                           | LDCs            |
| 12.05                       | Rape or colza seeds, whether or not broken                                                       | Wholly produced                | Wholly produced |
| 12.06                       | Sunflower seeds, whether or not broken                                                           | Wholly produced                | Wholly produced |
| 12.07                       | Other oil seeds and oleaginous fruits, whether or not broken                                     | Wholly produced                | Wholly produced |
| ex 12.08                    | Flours and meals of oil seeds or oleaginous fruits, other than those of mustard or of soya beans | Wholly produced                | Wholly produced |

|       |                                                                                                                                                                                                                                                                                                                                                                 |                        |                        |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 12.12 | <i>Locust beans, seaweeds and other algae, sugar beet and sugar cane, fresh, chilled, frozen or dried, whether or not ground; fruit stones and kernels and other vegetable products (including unroasted chicory roots of the variety <i>Cichorium-intybus sativum</i>) of a kind used primarily for human consumption, not elsewhere specified or included</i> | <i>Wholly produced</i> | <i>Wholly produced</i> |
| 12.13 | <i>Cereal straw and husks, unprepared, whether or not chopped, ground, pressed or in the form of pellets</i>                                                                                                                                                                                                                                                    | <i>Wholly produced</i> | <i>Wholly produced</i> |
| 12.14 | <i>Swedes, mangolds, fodder roots, hay, lucerne (alfalfa), clover, sainfoin, forage kale, lupines, vetches and similar forage products, whether or not in the form of pellets</i>                                                                                                                                                                               | <i>Wholly produced</i> | <i>Wholly produced</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                         | CONDITIONS TO BE COMPLIED WITH                     |                                                    |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|
|                             |                                                                                                                                                                                                 | MDCs                                               | LDCs                                               |
| Chap. 13                    | Lacs; gums, resins and other vegetable saps and extracts                                                                                                                                        | Wholly produced                                    | Wholly produced                                    |
| 14.01                       | Vegetable materials of a kind used primarily for plaiting (for example, bamboos, rattans, reeds, rushes, osier, raffia, cleaned, bleached or dyed cereal straw, and lime bark)                  | Wholly produced                                    | Wholly produced                                    |
| 14.02                       | Vegetable materials of a kind used primarily as stuffing or as padding (for example, kapok, vegetable hair and eel-grass), whether or not put up as a layer with or without supporting material | Wholly produced                                    | Wholly produced                                    |
| 14.03                       | Vegetable materials of a kind used primarily in brooms or in brushes (for example, broom-corn, piassava, couch-grass and istle), whether or not in hanks or bundles                             | Wholly produced                                    | Wholly produced                                    |
| ex 14.04                    | Vegetable products not elsewhere specified or included (excluding cotton linters)                                                                                                               | Wholly produced                                    | Wholly produced                                    |
| ex 15.01                    | Pig fat (including lard) and poultry fat, other than that of heading No. 02.09 or 15.03. (excluding bone fat and fats obtained from waste)                                                      | Produced from regional materials of 02.09          | Produced from regional materials of 02.09          |
| 15.02                       | Fats of bovine animals, sheep or goats, other than those of heading No. 15.03                                                                                                                   | Produced from regional materials of 01.02 or 01.04 | Produced from regional materials of 01.02 or 01.04 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                 |                                                                |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
|                             |                                                                                                                                                                                                           | MDCs                                                           | LDCs                                                           |
| 15.08                       | Ground-nut oil and its fractions, whether of not refined, but not chemically modified                                                                                                                     | Produced from regional materials of 12.02                      | Produced from regional materials of 12.02                      |
| 15.09                       | Olive oil and its fractions, whether or not refined, but not chemically modified                                                                                                                          | Produced from regional materials of Chapters 7 and 12          | Produced from regional materials of Chapters 7 and 12          |
| 15.10                       | Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading No. 15.09 | Produced from regional materials of Chapters 7 and 12          | Produced from regional materials of Chapters 7 and 12          |
| ex 15.11                    | Palm oil and its fractions, not refined, but not chemically modified                                                                                                                                      | Produced from regional materials of 12.07                      | Produced from regional materials of 12.07                      |
| ex 15.11                    | Palm oil and its fractions, refined, but not chemically modified                                                                                                                                          | Produced from regional materials of 12.07                      | Produced from materials of 15.11                               |
| 15.12                       | Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified                                                                                   | Produced from regional materials of 12.06 and 12.07            | Produced from regional materials of 12.06 and 12.07            |
| 15.13                       | Coconut (copra), palm kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified                                                                                    | Produced from regional materials of Chapter 8, 12.03 and 12.07 | Produced from regional materials of Chapter 8, 12.03 and 12.07 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                           | CONDITIONS TO BE COMPLIED WITH      |                                     |
|-----------------------------|-----------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                             |                                                                                   | MDCs                                | LDCs                                |
| 15.14                       | Rape, colza or mustard oil and fractions thereof, whether or not refined, but not | Produced from regional materials of | Produced from regional materials of |

|                 |                                                                                                                                                                                               |                                                                 |                                                                 |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
|                 | <i>chemically modified</i>                                                                                                                                                                    | <i>12.05 and 12.07</i>                                          | <i>12.05 and 12.07</i>                                          |
| <i>15.15</i>    | <i>Other fixed vegetable fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified</i>                                                    | <i>Produced from regional materials of Chapters 7, 8 and 12</i> | <i>Produced from regional materials of Chapters 7, 8 and 12</i> |
| <i>15.16</i>    | <i>Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared</i> | <i>Produced from regional materials of Chapters 7 and 12</i>    | <i>Produced from regional materials of Chapters 7 and 12</i>    |
| <i>ex 16.01</i> | <i>Sausages and similar products, of pork</i>                                                                                                                                                 | <i>Produced from regional materials of 02.03 or 02.06</i>       | <i>Produced from regional materials of 02.03 or 02.06</i>       |
| <i>ex 16.02</i> | <i>Hams and shoulders</i>                                                                                                                                                                     | <i>Produced from regional materials of 02.03</i>                | <i>Produced from regional materials of 02.03</i>                |
| <i>ex 17.01</i> | <i>Cane or beet sugar, not containing added flavouring or colouring matter, in solid form</i>                                                                                                 | <i>Wholly produced</i>                                          | <i>Wholly produced</i>                                          |
| <i>ex 17.02</i> | <i>Maltose and fructose, in solid form</i>                                                                                                                                                    | <i>Produced by chemical transformation</i>                      | <i>Produced by chemical transformation</i>                      |
| <i>ex 17.03</i> | <i>Molasses resulting from the extraction or refining of sugar, (excluding flavoured or coloured molasses)</i>                                                                                | <i>Wholly produced</i>                                          | <i>Wholly produced</i>                                          |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                              | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                      | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 17.04                       | Sugar confectionery (including white chocolate) not containing cocoa | Produced from regional materials of 17.01,                                                                                             | Produced from regional materials of 17.01                                                                                              |
| 18.01                       | Cocoa beans, whole or broken, raw or roasted                         | Wholly produced                                                                                                                        | Wholly produced                                                                                                                        |
| 18.02                       | Cocoa shells, husks, skins and other cocoa waste                     | Wholly produced                                                                                                                        | Wholly produced                                                                                                                        |
| 18.03                       | Cocoa paste, whether or not defatted                                 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product |
| 18.04                       | Cocoa butter, fat and oil                                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product |
| 18.05                       | Cocoa powder, not containing added sugar or other sweetening matter  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                                                                                                                                              |                                                                                                                                                                                             |
|-----------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                           | MDCs                                                                                                                                                                                        | LDCs                                                                                                                                                                                        |
| ex 18.06                    | Chocolate confectionery                                                                                   | Produced from regional materials of 17.01, and where extra-regional materials are used the value of these materials does not exceed 50 per cent of the export price of the finished product | Produced from regional materials of 17.01, and where extra-regional materials are used the value of these materials does not exceed 60 per cent of the export price of the finished product |
| ex 19.01                    | Food preparations of malt extract                                                                         | Produced from malt extract                                                                                                                                                                  | Produced from malt extract                                                                                                                                                                  |
| 20.01                       | Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid | Produced from regional materials of Chapters 7 and 8 and 17.01                                                                                                                              | Produced from regional materials of Chapters 7 and 8 and 17.01                                                                                                                              |
| 20.02                       | Tomatoes prepared or preserved otherwise than by vinegar or acetic acid                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of export price of the finished product                                                          | Production in which the value of extra-regional materials used does not exceed 60 per cent of export price of the finished product                                                          |
| 20.03                       | Mushrooms and truffles, prepared or preserved otherwise than by vinegar or acetic acid                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product                                                      | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product                                                      |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                           | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 20.04                    | Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen (excluding sweet corn and homogenised vegetables) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 20.05                       | Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen, other than products of heading No. 20.06     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 20.06                    | Vegetables preserved by sugar, (drained, glacé or crystallised)                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 20.06                    | Maraschino and glacé cherries                                                                                                             | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                               | CONDITIONS TO BE                                                                                    | COMPLIED WITH                                                                                       |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                       | MDCs                                                                                                | LDCs                                                                                                |
| ex 20.06                    | Other fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallised) (excluding maraschino and glacé cherries)                                                                                                | Produced from regional materials of Chapter 8 and 17.01                                             | Produced from regional materials of Chapter 8 and 17.01                                             |
| 20.07                       | Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, being cooked preparations, whether or not containing added sugar or other sweetening matter                                                                              | Produced from regional materials of Chapter 8 and 17.01                                             | Produced from regional materials of Chapter 8 and 17.01                                             |
| ex 20.08                    | Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included (excluding peanut butter, ground-nuts and cashew nuts) | Produced from regional materials of Chapters 7 and 8, 12.01, 12.02, 12.03, 12.05 to 12.07 and 17.01 | Produced from regional materials of Chapters 7 and 8, 12.01, 12.02, 12.03, 12.05 to 12.07 and 17.01 |
| ex 20.08                    | Peanuts (ground nuts), prepared or preserved                                                                                                                                                                                                          | Produced from regional materials of Chapter 8, 12.02 and 17.01                                      | Produced from regional materials of Chapter 8, 12.02 and 17.01                                      |
| 20.09                       | Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter                                                                               | Produced from regional materials of Chapters 7 and 8 and 17.01                                      | Produced from regional materials of Chapters 7 and 8 and 17.01                                      |
| ex 21.01                    | Extracts, essences and concentrates, of coffee, and preparations with a basis of coffee                                                                                                                                                               | Produced from regional materials of 09.01                                                           | Produced from regional materials of 09.01                                                           |
| ex 21.02                    | Dried yeast                                                                                                                                                                                                                                           | Produced from seed yeast                                                                            | Produced from seed yeast                                                                            |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                               | CONDITIONS TO BE COMPLIED WITH                                                                                             |                                                                                                                            |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                       | MDCs                                                                                                                       | LDCs                                                                                                                       |
| ex 21.02                    | Dead unicellular algae                                                                                                                                                                                                                                | Wholly produced                                                                                                            | Wholly produced                                                                                                            |
| ex 21.06                    | Frozen mousse                                                                                                                                                                                                                                         | Produced from materials of 21.06 the value of which does not exceed 3 per cent of the export price of the finished product | Produced from materials of 21.06 the value of which does not exceed 3 per cent of the export price of the finished product |
| ex 22.02                    | Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading No. 20.09 (excluding milk based beverages) | Produced from regional materials of Chapters 7 and 8 and 17.01                                                             | Produced from regional materials of Chapters 7 and 8 and 17.01                                                             |
| 22.07                       | Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher; ethyl alcohol and other spirits, denatured, of any strength                                                                                                        | Produced from materials not included in 22.07 or 22.08                                                                     | Produced from materials not included in 22.07 or 22.08                                                                     |
| ex 22.08                    | Spirits                                                                                                                                                                                                                                               | Produced from materials not included in 22.07                                                                              | Produced from materials not included in 22.07                                                                              |
| ex 22.08                    | Liqueurs and other spirituous beverages                                                                                                                                                                                                               | Produced from regional materials of 22.07                                                                                  | Produced from regional materials of 22.07                                                                                  |
| ex 22.09                    | Spirit vinegar                                                                                                                                                                                                                                        | Produced from regional materials of Chapter 17                                                                             | Produced from regional materials of Chapter 17                                                                             |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                             | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                     | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 23.09                    | Prepared complete animal feeds                                                                                                                                                                                                                                                      | Produced from materials of 23.09 the value of which does not exceed 5 per cent of the export price of the finished product             | Produced from materials of 23.09 the value of which does not exceed 5 per cent of the export price of the finished product             |
| ex 25.01                    | Refined salt                                                                                                                                                                                                                                                                        | Produced from rock salt or sea salt                                                                                                    | Produced from rock salt or sea salt                                                                                                    |
| 25.15                       | Marble, travertine, ecaussine and other calcareous monumental or building stone of an apparent specific gravity of 2.5 or more, and alabaster, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape | Produced by sawing                                                                                                                     | Produced by sawing                                                                                                                     |
| ex 27.10                    | Lubricating oils                                                                                                                                                                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 70 per cent of the export price of the finished product |
| 28.10                       | Oxides of boron; boric acids                                                                                                                                                                                                                                                        | Produced by chemical transformation                                                                                                    | Produced by chemical transformation                                                                                                    |
| ex 28.11                    | Other inorganic acids and other inorganic oxygen compounds of non-metals, (excluding water and sulphur dioxide)                                                                                                                                                                     | Produced by chemical transformation                                                                                                    | Produced by chemical transformation                                                                                                    |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                     | CONDITIONS TO BE COMPLIED WITH      |                                     |
|-----------------------------|---------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                             |                                                                                             | MDCs                                | LDCs                                |
| 28.12                       | Halides and halide oxides of non-metals                                                     | Produced by chemical transformation | Produced by chemical transformation |
| 28.13                       | Sulphides of non-metals; commercial phosphorus trisulphide                                  | Produced by chemical transformation | Produced by chemical transformation |
| 28.18                       | Artificial corundum whether or not chemically defined; aluminium oxide; aluminium hydroxide | Produced by chemical transformation | Produced by chemical transformation |
| ex 28.27                    | Bromides and bromide oxides; iodides and iodide oxides                                      | Produced by chemical transformation | Produced by chemical transformation |
| ex 28.28                    | Hypobromites                                                                                | Produced by chemical transformation | Produced by chemical transformation |
| 28.29                       | Chlorates and perchlorates; bromates and perbromates; iodates and periodates                | Produced by chemical transformation | Produced by chemical transformation |
| 28.30                       | Sulphides; polysulphides                                                                    | Produced by chemical transformation | Produced by chemical transformation |
| 28.32                       | Sulphites; thiosulphates                                                                    | Produced by chemical transformation | Produced by chemical transformation |
| ex 28.33                    | Peroxosulphates (persulphates)                                                              | Produced by chemical transformation | Produced by chemical transformation |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                      | CONDITIONS TO BE COMPLIED WITH                                                                      |                                                                                                     |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                              | MDCs                                                                                                | LDCs                                                                                                |
| 28.34                       | Nitrites; nitrates                                                                                                                           | Produced by chemical transformation from materials of 28.43                                         | Produced by chemical transformation from materials of 28.43                                         |
| 28.35                       | Phosphinates (hypophosphites), phosphonates (phosphites), phosphates and polyphosphates                                                      | Produced by chemical transformation                                                                 | Produced by chemical transformation                                                                 |
| 28.36                       | Carbonates; peroxocarbonates (percarbonates); commercial ammonium carbonate containing ammonium carbamate                                    | Produced by chemical transformation                                                                 | Produced by chemical transformation                                                                 |
| 28.37                       | Cyanides, cyanide oxides and complex cyanides                                                                                                | Produced by chemical transformation                                                                 | Produced by chemical transformation                                                                 |
| 28.39                       | Silicates; commercial alkali metal silicates                                                                                                 | Produced by chemical transformation                                                                 | Produced by chemical transformation                                                                 |
| 28.40                       | Borates; peroxoborates (perborates)                                                                                                          | Produced by chemical transformation                                                                 | Produced by chemical transformation                                                                 |
| 28.41                       | Salts of oxometallic or peroxometallic acids                                                                                                 | Produced by chemical transformation                                                                 | Produced by chemical transformation                                                                 |
| 28.42                       | Other salts of inorganic acids or peroxyacids, excluding azides                                                                              | Produced by chemical transformation                                                                 | Produced by chemical transformation                                                                 |
| 28.43                       | Colloidal precious metals; inorganic or organic compounds of precious metals, whether or not chemically defined; amalgams of precious metals | Produced from materials not included in 28.43 or by chemical transformation from materials of 28.43 | Produced from materials not included in 28.43 or by chemical transformation from materials of 28.43 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                 | CONDITIONS TO BE COMPLIED WITH      |                                     |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                             |                                                                                                                                                         | MDCs                                | LDCs                                |
| 28.50                       | Hydrides, nitrides, azides, silicides and borides, whether or not chemically defined, other than compounds which are also carbides of heading No. 28.49 | Produced by chemical transformation | Produced by chemical transformation |

|          |                                                                                                                                                            |                                                                                                            |                                                                                                            |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| ex 28.51 | <i>Other inorganic compounds (including distilled or conductivity water and water of similar purity); amalgams, other than amalgams of precious metals</i> | <i>Produced from materials not included in 28.51 or by chemical transformation from materials of 28.51</i> | <i>Produced from materials not included in 28.51 or by chemical transformation from materials of 28.51</i> |
| 29.01    | <i>Acyclic hydrocarbons</i>                                                                                                                                | <i>Produced by chemical transformation</i>                                                                 | <i>Produced by chemical transformation</i>                                                                 |
| 29.02    | <i>Cyclic hydrocarbons</i>                                                                                                                                 | <i>Produced by chemical transformation</i>                                                                 | <i>Produced by chemical transformation</i>                                                                 |
| 29.03    | <i>Halogenated derivatives of hydrocarbons</i>                                                                                                             | <i>Produced by chemical transformation</i>                                                                 | <i>Produced by chemical transformation</i>                                                                 |
| 29.05    | <i>Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives</i>                                                             | <i>Produced by chemical transformation</i>                                                                 | <i>Produced by chemical transformation</i>                                                                 |
| 29.06    | <i>Cyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives</i>                                                              | <i>Produced by chemical transformation</i>                                                                 | <i>Produced by chemical transformation</i>                                                                 |
| 29.07    | <i>Phenols; phenol-alcohols</i>                                                                                                                            | <i>Produced by chemical transformation</i>                                                                 | <i>Produced by chemical transformation</i>                                                                 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                        | CONDITIONS TO BE COMPLIED WITH      |                                     |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                             |                                                                                                                                                                                                                                | MDCs                                | LDCs                                |
| 29.09                       | Ethers, ether-alcohols, ether-phenols, ether-alcohol-phenols, alcohol peroxides, ether peroxides, ketone peroxides (whether or not chemically defined), and their halogenated, sulphonated, nitrated or nitrosated derivatives | Produced by chemical transformation | Produced by chemical transformation |
| 29.10                       | Epoxides, epoxyalcohols, epoxyphenols and epoxyethers, with a three-membered ring, and their halogenated, sulphonated, nitrated or nitrosated derivatives                                                                      | Produced by chemical transformation | Produced by chemical transformation |
| 29.11                       | Acetals and hemiacetals, whether or not with other oxygen function, and their halogenated, sulphonated, nitrated or nitrosated derivatives                                                                                     | Produced by chemical transformation | Produced by chemical transformation |
| 29.12                       | Aldehydes, whether or not with other oxygen function; cyclic polymers of aldehydes; para-formaldehyde                                                                                                                          | Produced by chemical transformation | Produced by chemical transformation |
| 29.15                       | Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives                                                            | Produced by chemical transformation | Produced by chemical transformation |
| 29.16                       | Unsaturated acyclic monocarboxylic acids, cyclic monocarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives                                | Produced by chemical transformation | Produced by chemical transformation |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                       | CONDITIONS TO BE                    | COMPLIED WITH                       |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                             |                                                                                                                                                                               | MDCs                                | LDCs                                |
| 29.17                       | Polycarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives                                | Produced by chemical transformation | Produced by chemical transformation |
| 29.18                       | Carboxylic acids with additional oxygen function and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives | Produced by chemical transformation | Produced by chemical transformation |
| 29.19                       | Phosphoric esters and their salts, including lactophosphates; their halogenated, sulphonated, nitrated or nitrosated derivatives                                              | Produced by chemical transformation | Produced by chemical transformation |
| 29.20                       | Esters of other inorganic acids (excluding esters of hydrogen halides) and their salts; their halogenated, sulphonated, nitrated or nitrosated derivatives                    | Produced by chemical transformation | Produced by chemical transformation |
| 29.23                       | Quaternary ammonium salts and hydroxides; lecithins and other phosphoaminolipids                                                                                              | Produced by chemical transformation | Produced by chemical transformation |
| 29.25                       | Carboxyimide-function compounds (including saccharin and its salts) and imine-function compounds                                                                              | Produced by chemical transformation | Produced by chemical transformation |
| 29.26                       | Nitrile-function compounds                                                                                                                                                    | Produced by chemical transformation | Produced by chemical transformation |
| 29.27                       | Diazo-, azo- or azoxy-compounds                                                                                                                                               | Produced by chemical transformation | Produced by chemical transformation |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                          | CONDITIONS TO BE COMPLIED WITH      |                                     |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                             |                                                                                                                                                                                                                  | MDCs                                | LDCs                                |
| 29.28                       | Organic derivatives of hydrazine or of hydroxylamine                                                                                                                                                             | Produced by chemical transformation | Produced by chemical transformation |
| 29.30                       | Organo-sulphur compounds                                                                                                                                                                                         | Produced by chemical transformation | Produced by chemical transformation |
| 29.31                       | Other organo-inorganic compounds                                                                                                                                                                                 | Produced by chemical transformation | Produced by chemical transformation |
| 29.32                       | Heterocyclic compounds with oxygen hetero-atom(s) only                                                                                                                                                           | Produced by chemical transformation | Produced by chemical transformation |
| 29.33                       | Heterocyclic compounds with nitrogen hetero-atom(s) only                                                                                                                                                         | Produced by chemical transformation | Produced by chemical transformation |
| 29.34                       | Nucleic acids and their salts; other heterocyclic compounds                                                                                                                                                      | Produced by chemical transformation | Produced by chemical transformation |
| 29.35                       | Sulphonamides                                                                                                                                                                                                    | Produced by chemical transformation | Produced by chemical transformation |
| 29.36                       | Provitamins and vitamins, natural or reproduced by synthesis (including natural concentrates), derivatives thereof used primarily as vitamins, and intermixtures of the foregoing, whether or not in any solvent | Produced by chemical transformation | Produced by chemical transformation |
| 29.37                       | Hormones, natural or reproduced by synthesis; derivatives thereof, used primarily as hormones; other steroids used primarily as hormones                                                                         | Produced by chemical transformation | Produced by chemical transformation |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                                                            | CONDITIONS TO BE COMPLIED WITH                                                                                               |                                                                                                                              |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                    | MDCs                                                                                                                         | LDCs                                                                                                                         |
| 29.38                       | Glycosides, natural or re-produced by synthesis, and their salts, ethers, esters and other derivatives                                                                                                                                                                                                             | Produced by chemical transformation                                                                                          | Produced by chemical transformation                                                                                          |
| 29.39                       | Vegetable alkaloids, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives                                                                                                                                                                                                     | Produced by chemical transformation                                                                                          | Produced by chemical transformation                                                                                          |
| 29.40                       | Sugars, chemically pure, other than sucrose, lactose, maltose, glucose and fructose; sugar ethers and sugar esters, and their salts, other than products of heading No. 29.37, 29.38 or 29.39                                                                                                                      | Produced by chemical transformation                                                                                          | Produced by chemical transformation                                                                                          |
| 29.41                       | Antibiotics                                                                                                                                                                                                                                                                                                        | Produced by chemical transformation                                                                                          | Produced by chemical transformation                                                                                          |
| 30.02                       | Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera and other blood fractions and modified immunological products, whether or not obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products | Produced from seed for microbial cultures or from similar products of 30.02 or produced from materials not included in 30.02 | Produced from seed for microbial cultures or from similar products of 30.02 or produced from materials not included in 30.02 |
| ex 31.02                    | Ammonium nitrate or sodium nitrate, pure                                                                                                                                                                                                                                                                           | Produced by chemical transformation                                                                                          | Produced by chemical transformation                                                                                          |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                     | CONDITIONS TO BE COMPLIED WITH                                                                     |                                                                                                    |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                             | MDCs                                                                                               | LDCs                                                                                               |
| ex 35.01                    | Casein derivatives; casein glues                                                                                                                                                                            | Produced from casein of 35.01 or from materials not included in 35.01                              | Produced from casein of 35.01 or from materials not included in 35.01                              |
| ex 35.02                    | Albuminates and other albumin derivatives                                                                                                                                                                   | Produced from albumins of 35.02 or from materials not included in 35.02                            | Produced from albumins of 35.02 or from materials not included in 35.02                            |
| ex 35.03                    | Gelatin derivatives                                                                                                                                                                                         | Produced from gelatin of 35.03 or from materials not included in 35.03                             | Produced from gelatin of 35.03 or from materials not included in 35.03                             |
| ex 35.05                    | Glues based on starches or on dextrans                                                                                                                                                                      | Produced from dextrans or other modified starches of 35.05 or from materials not included in 35.05 | Produced from dextrans or other modified starches of 35.05 or from materials not included in 35.05 |
| ex 36.05                    | Matches, other than pyrotechnic articles of 36.04, with wooden splints                                                                                                                                      | Produced from regional materials of Chapter 44                                                     | Produced from regional materials of Chapter 44                                                     |
| 37.01                       | Photographic plates and film in the flat, sensitised, un-exposed, of any material other than paper, paperboard or textiles; instant print film in the flat, sensitised, un-exposed, whether or not in packs | Produced from materials not included in 37.02                                                      | Produced from materials not included in 37.02                                                      |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                     | CONDITIONS TO BE                                                                                                        | COMPLIED WITH                                                                                                           |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                             | MDCs                                                                                                                    | LDCs                                                                                                                    |
| 37.02                       | Photographic film in rolls, sensitised, unexposed, of any material other than paper, paperboard or textiles; instant print film in rolls, sensitised, unexposed                                                                                             | Produced from materials not included in 37.01                                                                           | Produced from materials not included in 37.01                                                                           |
| 38.05                       | Gum, wood or sulphate turpentine and other terpenic oils produced by the distillation or other treatment of coniferous woods; crude dipentene; sulphite turpentine and other crude para-cymene; pine oil containing alpha-terpineol as the main constituent | Produced from gum, wood or sulphate turpentine and other terpenic oils of 38.05 or from materials not included in 38.05 | Produced from gum, wood or sulphate turpentine and other terpenic oils of 38.05 or from materials not included in 38.05 |
| ex 38.06                    | Derivatives of rosin and resin acids                                                                                                                                                                                                                        | Produced by chemical transformation or emulsification                                                                   | Produced by chemical transformation or emulsification                                                                   |
| ex 38.06                    | Rosin spirit and rosin oils                                                                                                                                                                                                                                 | Produced from rosin or resin acids of 38.06 or from materials not included in 38.06                                     | Produced from rosin or resin acids of 38.06 or from materials not included in 38.06                                     |
| ex 38.23                    | Industrial monocarboxylic fatty acids; acid oils from refining; industrial fatty alcohols (excluding industrial fatty alcohols which have a waxy character)                                                                                                 | Produced from regional materials of Chapter 15                                                                          | Produced from regional materials of Chapter 15                                                                          |
| 39.01                       | Polymers of ethylene, in primary forms                                                                                                                                                                                                                      | Produced by chemical transformation                                                                                     | Produced by chemical transformation                                                                                     |
| 39.02                       | Polymers of propylene or of other olefins, in primary forms                                                                                                                                                                                                 | Produced by chemical transformation                                                                                     | Produced by chemical transformation                                                                                     |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                             | CONDITIONS TO BE                    | COMPLIED WITH                       |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                             |                                                                                                                                                                                                     | MDCs                                | LDCs                                |
| 39.03                       | Polymers of styrene, in primary forms                                                                                                                                                               | Produced by chemical transformation | Produced by chemical transformation |
| 39.04                       | Polymers of vinyl chloride or of other halogenated olefins, in primary forms                                                                                                                        | Produced by chemical transformation | Produced by chemical transformation |
| 39.05                       | Polymers of vinyl acetate or of other vinyl esters, in primary forms; other vinyl polymers in primary forms                                                                                         | Produced by chemical transformation | Produced by chemical transformation |
| 39.06                       | Acrylic polymers in primary forms                                                                                                                                                                   | Produced by chemical transformation | Produced by chemical transformation |
| 39.07                       | Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, polyallyl esters and other polyesters, in primary forms                                           | Produced by chemical transformation | Produced by chemical transformation |
| 39.08                       | Polyamides in primary forms                                                                                                                                                                         | Produced by chemical transformation | Produced by chemical transformation |
| 39.09                       | Amino-resins, phenolic resins and polyurethanes, in primary forms                                                                                                                                   | Produced by chemical transformation | Produced by chemical transformation |
| 39.10                       | Silicones in primary forms                                                                                                                                                                          | Produced by chemical transformation | Produced by chemical transformation |
| 39.11                       | Petroleum resins, coumarone-indene resins, polyterpenes, polysulphides, polysulphones and other products specified in Note 3 to this Chapter, not elsewhere specified or included, in primary forms | Produced by chemical transformation | Produced by chemical transformation |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                               | CONDITIONS TO BE                              | COMPLIED WITH                                |
|-----------------------------|---------------------------------------|-----------------------------------------------|----------------------------------------------|
|                             |                                       | MDCs                                          | LDCs                                         |
| 39.15                       | Waste, parings and scrap, of plastics | Produced from blocks, lumps, powders, flakes, | Produced from blocks, lumps, powders, flakes |

|       |                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                  |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       |                                                                                                                                                                        | granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product                                               | granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product                                               |
| 39.16 | Monofilament of which any cross-sectional dimension exceeds 1 mm, rods, sticks and profile shapes, whether or not surface-worked but not otherwise worked, of plastics | Produced from blocks, lumps, powders, flakes, granules, liquids, pastes, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product | Produced from blocks, lumps, powders, flakes, granules, liquids, pastes, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                         | CONDITIONS TO BE COMPLIED WITH                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                         |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                 | MDCs                                                                                                                                                                                                                                                                                                    | LDCs                                                                                                                                                                                                                                                                                                    |
| 39.17                       | <i>Tubes, pipes and hoses, and fittings therefor (for example, joints, elbows, flanges), of plastics</i>                                                                        | <i>Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product</i> | <i>Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product</i>           |
| 39.18                       | <i>Floor coverings of plastics, whether or not self-adhesive, in rolls or in the form of tiles; wall or ceiling coverings of plastics, as defined in Note 9 to this Chapter</i> | <i>Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product</i> | <i>Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                           | MDCs                                                                                                                                                                                                                                                                                             | LDCs                                                                                                                                                                                                                                                                                             |
| 39.19                       | Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether or not in rolls                                         | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastic, provided that extra regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product  |
| 39.20                       | Other plates, sheets, film, foil and strip, of plastics, non-cellular and not reinforced, laminated, supported or similarly combined with other materials | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                             | CONDITIONS TO BE                                                                                                                                                                                                                                                                                 | COMPLIED WITH                                                                                                                                                                                                                                                                                    |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                     | MDCs                                                                                                                                                                                                                                                                                             | LDCs                                                                                                                                                                                                                                                                                             |
| 39.21                       | Other plates, sheets, film, foil and strip, of plastics                                                                             | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product |
| 39.22                       | Baths, shower-baths, wash-basins, bidets, lavatory pans, seats and covers, flushing cisterns and similar sanitary ware, of plastics | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                            | CONDITIONS TO BE COMPLIED WITH                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                    | MDCs                                                                                                                                                                                                                                                                                             | LDCs                                                                                                                                                                                                                                                                                             |
| 39.23                       | Articles for the conveyance or packing of goods, of plastics; stoppers, lids, caps and other closures, of plastics | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product |
| 39.24                       | Tableware, kitchenware, other household articles and toilet articles, of plastics                                  | Produced from blocks, lumps,, powders, flakes, granules, pastes, liquids, putties of similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties of similar bulk forms of plastics, provided that extra regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product  |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                          | CONDITIONS TO BE COMPLIED WITH                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                  | MDCs                                                                                                                                                                                                                                                                                             | LDCs                                                                                                                                                                                                                                                                                             |
| ex 39.25                    | Builders' ware of plastics, not elsewhere specified or included (excluding doors, windows and their frames, bath tub enclosures, fencing and panelling)                                                          | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product                               | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product                             |
| ex 39.26                    | Other articles of plastics and articles of other materials of headings Nos. 39.01 to 39.14 (excluding motor vehicle licence plates, signs, lettering, name-plates, badges and anti-static vinyl computer covers) | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product | Produced from blocks, lumps, powders, flakes, granules, pastes, liquids, putties and similar bulk forms of plastics, provided that extra-regional parts and fittings may be used if the value of such parts and fittings does not exceed 10 per cent of the export price of the finished product |
| ex 39.26                    | Anti-static vinyl computer covers                                                                                                                                                                                | Produced from materials of 39.21                                                                                                                                                                                                                                                                 | Produced from materials of 39.21                                                                                                                                                                                                                                                                 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                           | CONDITIONS TO BE COMPLIED WITH                                                                                     |                                                                                                                    |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                   | MDCs                                                                                                               | LDCs                                                                                                               |
| ex 40.06                    | Articles of unvulcanised rubber                                                                                                                                                                                   | Produced from unvulcanised rubber                                                                                  | Produced from unvulcanised rubber                                                                                  |
| ex 40.12                    | Retreaded or remoulded tyres                                                                                                                                                                                      | Produced by retreading or remoulding                                                                               | Produced by retreading or remoulding                                                                               |
| 43.03                       | Articles of apparel, clothing accessories and other articles of furskin                                                                                                                                           | Produced from materials not included in 43.03 and not being furskins assembled in plates, crosses or similar forms | Produced from materials not included in 43.03 and not being furskins assembled in plates, crosses or similar forms |
| 44.01                       | Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; wood in chips or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms | Produced from regional materials of Chapter 44                                                                     | Produced from regional materials of Chapter 44                                                                     |
| 44.02                       | Wood charcoal (including shell or nut charcoal), whether or not agglomerated                                                                                                                                      | Produced from regional materials of Chapter 44                                                                     | Produced from regional materials of Chapter 44                                                                     |
| 44.03                       | Wood in the rough, whether or not stripped of bark or sap-wood, or roughly squared                                                                                                                                | Produced from regional materials of Chapter 44                                                                     | Produced from regional materials of Chapter 44                                                                     |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                        | CONDITIONS TO BE COMPLIED WITH                 |                                                |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                | MDCs                                           | LDCs                                           |
| 44.04                       | Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise; wooden sticks, roughly trimmed but not turned, bent or otherwise worked, suitable for the manufacture of walking-sticks, umbrellas, tool handles or the like; chipwood and the like | Produced from regional materials of Chapter 44 | Produced from regional materials of Chapter 44 |
| 44.05                       | Wood wool; wood flour                                                                                                                                                                                                                                                          | Produced from regional materials of Chapter 44 | Produced from regional materials of Chapter 44 |
| 44.06                       | Railway or tramway sleepers (cross-ties) of wood                                                                                                                                                                                                                               | Produced from regional materials of Chapter 44 | Produced from regional materials of Chapter 44 |
| 44.07                       | Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or finger-jointed, of a thickness exceeding 6 mm                                                                                                                                              | Produced from regional materials of Chapter 44 | Produced from regional materials of Chapter 44 |
| 44.08                       | Veneer sheets and sheets for plywood (whether or not spliced) and other wood sawn lengthwise, sliced or peeled, whether or not planed, sanded or finger-jointed, of a thickness not exceeding 6 mm                                                                             | Produced from regional materials of Chapter 44 | Produced from regional materials of Chapter 44 |
| 44.09                       | Wood (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rebated, chamfered, V-jointed, beaded, moulded, rounded or the like) along any of its edges or faces, whether or not planed sanded or finger jointed            | Produced from regional materials of Chapter 44 | Produced from regional materials of Chapter 44 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                | CONDITIONS TO BE COMPLIED WITH                 |                                                |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------|
|                             |                                                                                                                                        | MDCs                                           | LDCs                                           |
| 44.10                       | Particle board and similar board of wood or other ligneous materials, whether or not agglomerated with resins or other organic binding | Produced from regional materials of Chapter 44 | Produced from regional materials of Chapter 44 |

|       |                                                                                                                                                                            |                                                       |                                                       |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|
|       | <i>substances</i>                                                                                                                                                          |                                                       |                                                       |
| 44.11 | <i>Fibreboard of wood or other ligneous materials, whether or not bonded with resins or other organic substances</i>                                                       | <i>Produced from regional materials of Chapter 44</i> | <i>Produced from regional materials of Chapter 44</i> |
| 44.12 | <i>Plywood, veneered panels and similar laminated wood</i>                                                                                                                 | <i>Produced from regional materials of Chapter 44</i> | <i>Produced from regional Materials of Chapter 44</i> |
| 44.13 | <i>Densified wood, in blocks, plates, strips or profile shapes</i>                                                                                                         | <i>Produced from regional materials of Chapter 44</i> | <i>Produced from regional materials of Chapter 44</i> |
| 44.14 | <i>Wooden frames for paintings, photographs, mirrors or similar objects</i>                                                                                                | <i>Produced from regional materials of Chapter 44</i> | <i>Produced from regional materials of Chapter 44</i> |
| 44.15 | <i>Packing cases, boxes, crates, drums and similar packings, of wood; cable-drums of wood; pallets, box pallets and other load boards, of wood; pallet collars of wood</i> | <i>Produced from regional materials of Chapter 44</i> | <i>Produced from regional materials of Chapter 44</i> |
| 44.17 | <i>Tools, tool bodies, tool handles, broom or brush bodies and handles, of wood; boot or shoe lasts and trees, of wood</i>                                                 | <i>Produced from regional materials of Chapter 44</i> | <i>Produced from regional materials of Chapter 44</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                    | CONDITIONS TO BE COMPLIED WITH                                                   |                                                                                  |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                            | MDCs                                                                             | LDCs                                                                             |
| ex 44.18                    | Wooden doors of non-coniferous species (excluding mahogany)                                                                                                                                                | Produced from regional non-coniferous species (excluding mahogany) of Chapter 44 | Produced from regional non-coniferous species (excluding mahogany) of Chapter 44 |
| ex 44.18                    | Other builders' joinery and carpentry of wood, including cellular wood panels, assembled parquet panels, shingles and shakes                                                                               | Produced from regional materials of Chapter 44                                   | Produced from regional materials of Chapter 44                                   |
| 44.19                       | Tableware and kitchenware, of wood                                                                                                                                                                         | Produced from regional materials of Chapter 44                                   | Produced from regional materials of Chapter 44                                   |
| 44.20                       | Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, of wood; statuettes and other ornaments, of wood; wooden articles of furniture not falling in Chapter 94 | Produced from regional materials of Chapter 44                                   | Produced from regional materials of Chapter 44                                   |
| ex 44.21                    | Funeral caskets, of non-coniferous species (excluding mahogany)                                                                                                                                            | Produced from regional non-coniferous species (excluding mahogany) of Chapter 44 | Produced from regional non-coniferous species (excluding mahogany) of Chapter 44 |
| ex 44.21                    | Other articles of wood                                                                                                                                                                                     | Produced from regional materials of Chapter 44                                   | Produced from regional materials of Chapter 44                                   |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH            |                                           |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
|                             |                                                                                                                                           | MDCs                                      | LDCs                                      |
| ex 46.01                    | Plaiting materials bound together in parallel strands or woven, in sheet form, whether or not being finished articles (for example, mats, | Produced from regional materials of 14.01 | Produced from regional materials of 14.01 |

|          |                                                                                                                                                                 |                                                                                                                                               |                                                                                                                                               |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
|          | <i>matting, screens)</i>                                                                                                                                        |                                                                                                                                               |                                                                                                                                               |
| 46.02    | <i>Basketwork, wickerwork and other articles, made directly to shape from plaiting materials or made up from goods of heading No. 46.01; articles of loofah</i> | <i>Produced from regional materials of 14.01</i>                                                                                              | <i>Produced from regional materials of 14.01</i>                                                                                              |
| ex 48.10 | <i>Paper and paperboard, ruled, lined, squared or otherwise printed, in rolls or sheets</i>                                                                     | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials does not exceed 60 per cent of the export price of the finished product</i>      |
| ex 48.11 | <i>Paper and paperboard, ruled, lined, squared or otherwise printed, in rolls or sheets</i>                                                                     | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| ex 50.07 | <i>Dyed or printed fabrics</i>                                                                                                                                  | <i>Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                              | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                      | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 51.09                       | Yarn of wool or of fine animal hair, put up for retail sale                                          | Produced from materials not included in 51.06 to 51.08                                                                                 | Produced from materials not included in 51.06 to 51.08                                                                                 |
| ex 51.10                    | Yarn of coarse animal hair or of horsehair (including gimped horsehair yarn), put up for retail sale | Produced from materials not included in 51.10                                                                                          | Produced from materials not included in 51.10                                                                                          |
| ex 51.11                    | Dyed or printed fabrics                                                                              | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 51.12                    | Dyed or printed fabrics                                                                              | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 51.13                    | Dyed or printed fabrics                                                                              | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                       | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                               | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 52.04                    | Cotton sewing thread, put up for retail sale                  | Produced from materials not included in 52.04 to 52.06                                                                                 | Produced from materials not included in 52.04 to 52.06                                                                                 |
| 52.07                       | Cotton yarn (other than sewing thread) put up for retail sale | Produced from materials not included in 52.05 and 52.06                                                                                | Produced from materials not included in 52.05 and 52.06                                                                                |
| ex 52.08                    | Dyed or printed fabrics                                       | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 52.09                    | Dyed or printed fabrics                                       | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 52.10                    | Dyed or printed fabrics                                       | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                            | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                    | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 52.11                    | Dyed or printed fabrics            | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the finished product                     |
| ex 52.12                    | Dyed or printed fabrics            | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 53.06                    | Flax yarn, put up for retail sale  | Produced from materials not included in 53.06                                                                                          | Produced from materials not included in 53.06                                                                                          |
| ex 53.08                    | Ramie yarn, put up for retail sale | Produced from materials not included in 53.08                                                                                          | Produced from materials not included in 53.08                                                                                          |
| ex 53.09                    | Dyed or printed fabrics            | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                      | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                              | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 53.10                    | Dyed or printed fabrics                                                                                                      | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 53.11                    | Dyed or printed fabrics                                                                                                      | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 54.01                    | Sewing thread of man-made filaments, put up for retail sale                                                                  | Produced from materials not included in 54.01                                                                                          | Produced from materials not included in 54.01                                                                                          |
| ex 54.04                    | Synthetic monofilament of 67 decitex or more and of which no cross-sectional dimension exceeds 1 mm, put up for retail sale  | Produced from materials not included in 54.04                                                                                          | Produced from materials not included in 54.04                                                                                          |
| ex 54.05                    | Artificial monofilament of 67 decitex or more and of which no cross-sectional dimension exceeds 1 mm, put up for retail sale | Produced from materials not included in 54.05                                                                                          | Produced from materials not included in 54.05                                                                                          |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                            | CONDITIONS TO BE COMPLIED WITH                                                                                                          |                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                    | MDCs                                                                                                                                    | LDCs                                                                                                                                   |
| 54.06                       | Man-made filament yarn (other than sewing thread), put up for retail sale                          | Produced from materials not included in 54.01 to 54.06                                                                                  | Produced from materials not included in 54.01 to 54.06                                                                                 |
| ex 54.07                    | Dyed or printed fabrics                                                                            | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product  | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 54.08                    | Dyed or printed fabrics                                                                            | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product  | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 55.05                    | Waste (including noils, yarn waste and garnetted stock) of man-made fibres, put up for retail sale | Produced from materials not included in 55.05                                                                                           | Produced from materials not included in 55.05                                                                                          |
| ex 55.08                    | Sewing thread of polyester staple fibres                                                           | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product. | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                           | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                   | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 55.08                    | Other sewing thread of man-made staple fibres, put up for retail sale             | Produced from materials not included in 55.08 to 55.10                                                                                 | Produced from materials not included in 55.08 to 55.10                                                                                 |
| ex 55.11                    | Yarn (other than sewing thread) of man-made staple fibres, put up for retail sale | Produced from materials not included in 55.09 and 55.10                                                                                | Produced from materials not included in 55.09 and 55.10                                                                                |
| ex 55.12                    | Dyed or printed fabrics                                                           | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 55.13                    | Dyed or printed fabrics                                                           | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 55.14                    | Dyed or printed fabrics                                                           | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                      | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                              | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 5.15                     | Dyed or printed fabrics                      | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 55.16                    | Dyed or printed fabrics                      | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| ex 56.04                    | Rubber thread and cord, textile covered      | Produced from rubber thread or cord                                                                                                    | Produced from rubber thread or cord                                                                                                    |
| ex 62.12                    | Articles obtained from parts of this heading | Production in which the value of extra-regional materials used does not exceed 30 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product |
| 63.01                       | Blankets and travelling rugs                 | Produced from materials of 51.06 to 51.08, 51.10, 52.05, 52.06, 54.02, 54.03, 55.09 or 55.10                                           | Produced from materials of 51.06 to 51.08, 51.10, 52.05, 52.06, 54.02, 54.03, 55.09 or 55.10                                           |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                       | CONDITIONS TO BE                          | COMPLIED WITH                             |
|-----------------------------|---------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
|                             |                                                               | MDCs                                      | LDCs                                      |
| ex 63.02                    | Towels of terry towelling or similar terry fabrics, of cotton | Produced from materials of 52.05 or 52.06 | Produced from materials of 52.05 or 52.06 |

|       |                                                                                                                                                                                                                    |                                                            |                                                                              |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------|
| 64.01 | Waterproof footwear with outer soles and uppers of rubber or of plastics, the uppers of which are neither fixed to the sole nor assembled by stitching, riveting, nailing, screwing, plugging or similar processes | Produced from regional uppers and parts of uppers of 64.06 | Produced from regional uppers and parts of uppers or regional soles of 64.06 |
| 64.02 | Other footwear with outer soles and uppers of rubber or plastics                                                                                                                                                   | Produced from regional uppers and parts of uppers of 64.06 | Produced from regional uppers and parts of uppers or regional soles of 64.06 |
| 64.03 | Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather                                                                                                                | Produced from regional uppers and parts of uppers of 64.06 | Produced from regional uppers and parts of uppers or regional soles of 64.06 |
| 64.04 | Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials                                                                                                      | Produced from regional uppers and parts of uppers of 64.06 | Produced from regional uppers and parts of uppers or regional soles of 64.06 |
| 64.05 | Other footwear                                                                                                                                                                                                     | Produced from regional uppers and parts of uppers of 64.06 | Produced from regional uppers and parts of uppers or regional soles of 64.06 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                       | CONDITIONS TO BE COMPLIED WITH                                   |                                                                  |
|-----------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------------------|
|                             |                                                                                               | MDCs                                                             | LDCs                                                             |
| ex 66.02                    | Walking-sticks, of wood or cane                                                               | Produced from regional materials of 14.01 or Chapter 44          | Produced from regional materials of 14.01 or Chapter 44          |
| 68.07                       | Articles of asphalt or of similar material (for example, petroleum bitumen or coal tar pitch) | Produced from regional materials of 27.08, 27.13, 27.14 or 27.15 | Produced from regional materials of 27.08, 27.13, 27.14 or 27.15 |
| 68.08                       | Panels, boards, tiles, blocks and similar articles of vege-                                   | Produced from regional                                           | Produced from regional                                           |

|       |                                                                                                                                                     |                                                             |                                                            |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------|
|       | table fibre, of straw or of shavings, chips, particles, sawdust or other waste, of wood, agglomerated with cement, plaster or other mineral binders | materials of Chapters 14 and 44                             | materials of Chapters 14 and 44                            |
| 68.09 | Articles of plaster or of compositions based on plaster                                                                                             | Produced from regional materials of 25.20                   | Produced from regional materials of 25.20                  |
| 68.10 | Articles of cement, of concrete or of artificial stone, whether or not reinforced                                                                   | Produced from regional materials of 25.23                   | Produced from regional materials of 25.23                  |
| 69.04 | Ceramic building bricks, flooring blocks, support or filler tiles and the like                                                                      | Produced from regional materials of 25.05, 25.07, and 25.29 | Produced from regional materials of 25.05, 25.07 and 25.29 |
| 69.05 | Roofing tiles, chimney-pots, cowls, chimney liners, architectural ornaments and other ceramic constructional goods                                  | Produced from regional materials of 25.05, 25.07 and 25.29  | Produced from regional materials of 25.05, 25.07 and 25.29 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                    | CONDITIONS TO BE COMPLIED WITH                             |                                                            |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                            | MDCs                                                       | LDCs                                                       |
| 69.06                       | Ceramic pipes, conduits, guttering and pipe fittings                                                                                                                                                                                       | Produced from regional materials of 25.05, 25.07 and 25.29 | Produced from regional materials of 25.05, 25.07 and 25.29 |
| 69.07                       | Unglazed ceramic flags and paving, hearth or wall tiles; unglazed ceramic mosaic cubes and the like, whether or not on a backing                                                                                                           | Produced from regional materials of 25.05, 25.07 and 25.29 | Produced from regional materials of 25.05, 25.07 and 25.29 |
| 69.09                       | Ceramic wares for laboratory, chemical or other technical uses; ceramic troughs, tubs and similar receptacles of a kind used in agriculture; ceramic pots, jars and similar articles of a kind used for the conveyance or packing of goods | Produced from regional materials of 25.05, 25.07 and 25.29 | Produced from regional materials of 25.05, 25.07 and 25.29 |
| 69.10                       | Ceramic sinks, wash basins, wash basin pedestals, baths, bidets, water closet pans, flushing cisterns, urinals and similar sanitary fixtures                                                                                               | Produced from regional materials of 25.05 and 25.07        | Produced from regional materials of 25.05 and 25.07        |
| 69.12                       | Ceramic tableware, kitchenware, other household articles and toilet articles, other than of porcelain or china                                                                                                                             | Produced from regional materials of 25.05, 25.07 and 25.29 | Produced from regional materials of 25.05, 25.07 and 25.29 |
| 69.13                       | Statuettes and other ornamental ceramic articles                                                                                                                                                                                           | Produced from regional materials of 25.05 and 25.07        | Produced from regional materials of 25.05 and 25.07        |
| ex 70.09                    | Glass mirrors, whether or not framed, excluding rear-view mirrors                                                                                                                                                                          | Produced from materials of 70.09                           | Produced from materials of 70.09                           |
| ex 70.19                    | Articles of glass fibres (including glass wool), (for example, yarn, woven fabrics)                                                                                                                                                        | Produced from materials of 70.19                           | Produced from materials of 70.19                           |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                              | CONDITIONS TO BE COMPLIED WITH             |                                            |
|-----------------------------|------------------------------------------------------|--------------------------------------------|--------------------------------------------|
|                             |                                                      | MDCs                                       | LDCs                                       |
| ex 71.06                    | Silver and silver alloys, in semi-manufactured forms | Produced from unwrought materials of 71.06 | Produced from unwrought materials of 71.06 |

|          |                                                                               |                                                                                                                                                             |                                                                                                                                                             |
|----------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ex 71.08 | Gold (including gold plated with platinum) in semi-manufactured forms         | Produced from unwrought materials of 71.08                                                                                                                  | Produced from unwrought materials of 71.08                                                                                                                  |
| ex 71.13 | Articles of jewellery, of precious metal or of metal clad with precious metal | Produced from materials not included in 71.13, or from materials of 71.13 the value of which does not exceed 20 per cent of the value of all materials used | Produced from materials not included in 71.13, or from materials of 71.13 the value of which does not exceed 20 per cent of the value of all materials used |
| 71.17    | Imitation jewellery                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product                      | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product                      |
| ex 72.07 | Billets of steel                                                              | Produced from regional materials of 72.03 or materials of 72.04                                                                                             | Produced from regional materials of 72.03 or materials of 72.04                                                                                             |
| ex 72.10 | Steel sheets, clad, plated or coated                                          | Produced from materials of 72.10                                                                                                                            | Produced from materials of 72.10                                                                                                                            |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                  | CONDITIONS TO BE COMPLIED WITH                                  |                                                                 |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|
|                             |                                                                                                                                                          | MDCs                                                            | LDCs                                                            |
| ex 72.12                    | Steel sheets, clad, plated or coated                                                                                                                     | Produced from materials of 72.12                                | Produced from materials of 72.12                                |
| ex 72.13                    | Bars and rods (including wire rods), of non-alloy steel                                                                                                  | Produced from regional materials of 72.03 or materials of 72.04 | Produced from regional materials of 72.03 or materials of 72.04 |
| ex 72.14                    | Other bars and rods of non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling | Produced from regional materials of 72.03 or materials of 72.04 | Produced from regional materials of 72.03 or materials of 72.04 |
| ex 72.15                    | Other bars and rods of non-alloy steel                                                                                                                   | Produced from regional materials of 72.03 or materials of 72.04 | Produced from regional materials of 72.03 or materials of 72.04 |
| ex 72.16                    | Angles, shapes and sections of non-alloy steel                                                                                                           | Produced from regional materials of 72.03 or materials of 72.04 | Produced from regional materials of 72.03 or materials of 72.04 |
| ex 72.17                    | Wire, whether or not coated but not insulated, of non-alloy steel                                                                                        | Produced from regional materials of 72.03 or materials of 72.04 | Produced from regional materials of 72.03 or materials of 72.04 |
| ex 73.04                    | Tubes, pipes and hollow profiles, seamless, of non-alloy steel                                                                                           | Produced from regional materials of 72.03 or materials of 72.04 | Produced from regional materials of 72.03 or materials of 72.04 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                     | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                             | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 73.06                    | Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of non-alloy steel                  | Produced from regional materials of 72.03 or materials of 72.04                                                                        | Produced from regional materials of 72.03 or materials of 72.04                                                                        |
| ex 73.12                    | Stranded wire, ropes, cables, plaited bands, slings and the like, of non-alloy steel, not electrically insulated                            | Produced from regional materials of 72.03 or materials of 72.04                                                                        | Produced from regional materials of 72.03 or materials of 72.04                                                                        |
| ex 73.14                    | Cloth (including endless bands), grill, netting and fencing, of non-alloy steel wire (excluding PVC-coated galvanised wire mesh)            | Produced from regional materials of 72.03 or materials of 72.04                                                                        | Produced from regional materials of 72.03 or materials of 72.04                                                                        |
| ex 73.17                    | Nails, tacks and staples, of non-alloy steel, whether or not with heads of other material, but excluding such articles with heads of copper | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 73.21                    | Gas stoves, ranges and cookers                                                                                                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                            | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                    | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 74.18                    | Table, kitchen or other household articles, of copper; pot scourers and scouring or polishing pads, gloves and the like, of copper | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 82.01                    | Hand tools with wooden handles                                                                                                     | Produced from materials not included in 82.01 and from regional materials of Chapter 44                                                | Produced from materials not included in 82.01 and from regional materials of Chapter 44                                                |
| ex 83.01                    | Padlocks and locks                                                                                                                 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 83.05                    | Letter clips, paper clips and staples, of non-alloy steel                                                                          | Produced from regional materials of 72.03 or materials of 72.04                                                                        | Produced from regional materials of 72.03 or materials of 72.04                                                                        |
| ex 83.11                    | Welding rods and welding electrodes, of steel                                                                                      | Produced from regional materials of 72.03 or materials of 72.04 and Chapters 28 and 29                                                 | Produced from regional materials of 72.03 or materials of 72.04 and Chapters 28 and 29                                                 |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                       | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                               | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.01                       | Nuclear reactors; fuel elements (cartridges), non-irradiated, for nuclear reactors; machinery and apparatus for isotopic separation                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.02                       | Steam or other vapour generating boilers (other than central heating hot water boilers capable also of producing low pressure steam); super-heated water boilers                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.03                       | Central heating boilers other than those of heading No. 84.02                                                                                                                                 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.04                       | Auxiliary plant for use with boilers of heading No. 84.02 or 84.03 (for example, economisers, super-heaters, soot removers, gas recoverers); condensers for steam or other vapour power units | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                   | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                           | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.05                       | Producer gas or water gas generators, with or without their purifiers; acetylene gas generators and similar water process gas generators, with or without their purifiers | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.06                       | Steam turbines and other vapour turbines                                                                                                                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.07                       | Spark-ignition reciprocating or rotary internal combustion piston engines                                                                                                 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.08                       | Compression-ignition internal combustion piston engines (diesel or semi-diesel engines)                                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                     | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                             | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.09                       | Parts suitable for use solely or principally with the engines of heading No. 84.07 or 84.08 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.10                       | Hydraulic turbines, water wheels, and regulators therefor                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.11                       | Turbo-jets, turbo-propellers and other gas turbines                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.12                       | Other engines and motors                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                        | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.13                       | Pumps for liquids, whether or not fitted with a measuring device; liquid elevators                                                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.14                       | Air or vacuum pumps, air or other gas compressors and fans; ventilating or recycling hoods incorporating a fan, whether or not fitted with filters                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.15                       | Air conditioning machines, comprising a motor-driven fan and elements for changing the temperature and humidity, including those machines in which the humidity cannot be separately regulated | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                         | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                 | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.16                       | Furnace burners for liquid fuel, for pulverised solid fuel or for gas; mechanical stokers, including their mechanical grates, mechanical ash dischargers and similar appliances | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.17                       | Industrial or laboratory furnaces and ovens, including incinerators, non-electric                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.18                       | Refrigerators, freezers and refrigerating or freezing equipment, electric or other; heat pumps other than air conditioning machines of heading No. 84.15                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 84.19                    | Instantaneous or storage water heaters, non-electric                                                                                                                            | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                                                                                                                                 | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                                                                         | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 84.19                    | Machinery, plant or laboratory equipment, whether or not electrically heated, for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling, other than machinery or plant of a kind used for domestic purposes | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.20                       | Calendering or other rolling machines, other than for metals or glass, and cylinders therefor                                                                                                                                                                                                                                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.21                       | Centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases                                                                                                                                                                                                                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                                                                                                                          | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                                                                  | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.22                       | Dish washing machines; machinery for cleaning or drying bottles or other containers; machinery for filling, closing, sealing, or labelling bottles, cans, boxes, bags or other containers; machinery for capsuling bottles, jars, tubes and similar containers; other packing or wrapping machinery (including heat-shrink wrapping machinery); machinery for aerating beverages | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.23                       | Weighing machinery (excluding balances of a sensitivity of 5 cg or better), including weight operated counting or checking machines; weighing machine weights of all kinds                                                                                                                                                                                                       | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.24                       | Mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers, whether of not charged; spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines                                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.25                       | Pulley tackle and hoists other than skip hoists; winches and capstans; jacks                                                                                                                                                                                                                                                                                                     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                          | CONDITIONS TO BE COMPLIED WITH                  |                                            |
|-----------------------------|----------------------------------------------------------------------------------|-------------------------------------------------|--------------------------------------------|
|                             |                                                                                  | MDCs                                            | LDCs                                       |
| 84.26                       | Ships' derricks; cranes, including cable cranes; mobile lifting frames, straddle | Production in which the value of extra-regional | Production in which the value of extra-re- |

|       |                                                                                                                 |                                                                                                                                        |                                                                                                                                        |
|-------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|       | carriers and works trucks fitted with a crane                                                                   | materials used does not exceed 50 per cent of the export price of the finished product                                                 | gional materials used does not exceed 60 per cent of the export price of the finished product                                          |
| 84.27 | Fork-lift trucks; other works trucks fitted with lifting or handling equipment                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.28 | Other lifting, handling, loading or unloading machinery (for example, lifts, escalators, conveyors, teleferics) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                  | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                          | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.29                       | Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers                                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished produce | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.30                       | Other moving, grading, leveling, scraping, excavating, tamping, compacting, extracting or boring machinery, for earth, minerals or ores; pile-drivers and pile-extractors; snow-ploughs and snow-blowers | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.31                       | Parts suitable for use solely or principally with the machinery of headings Nos. 84.25 to 84.30                                                                                                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.32                       | Agricultural, horticultural or forestry machinery for soil preparation or cultivation; lawn or sports-ground rollers                                                                                     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                        | CONDITIONS TO BE                                                                              | COMPLIED WITH                                                                     |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                | MDCs                                                                                          | LDCs                                                                              |
| 84.33                       | Harvesting or threshing machinery, including straw or fodder balers; grass or hay mowers; machines for cleaning, sorting or grading eggs, fruit or other agricultural produce, | Production in which the value of extra-regional materials used does not exceed 50 per cent of | Production in which the value of extra-regional materials used does not exceed 60 |

|       | <i>other than machinery of heading No. 84.37</i>                                                                                                                                                       | <i>the export price of the finished product</i>                                                                                               | <i>per cent of the export price of the finished product</i>                                                                                   |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| 84.34 | <i>Milking machines and dairy machinery</i>                                                                                                                                                            | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 84.35 | <i>Presses, crushers and similar machinery used in the manufacture of wine, cider, fruit juices or similar beverages</i>                                                                               | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 84.36 | <i>Other agricultural, horticultural, forestry, poultry-keeping or bee-keeping machinery, including germination plant fitted with mechanical or thermal equipment; poultry incubators and brooders</i> | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                          | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                  | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.37                       | Machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables; machinery used in the milling industry or for the working of cereals or dried leguminous vegetables, other than farm-type machinery        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.38                       | Machinery, not specified or included elsewhere in this Chapter, for the industrial preparation or manufacture of food or drink, other than machinery for the extraction or preparation of animal or fixed vegetable fats or oils | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.39                       | Machinery for making pulp of fibrous cellulosic material or for making or finishing paper or paperboard                                                                                                                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.40                       | Book-binding machinery, including book-sewing machines                                                                                                                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                                                                                                                                                                             | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                     | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.41                       | Other machinery for making up paper pulp, paper or paper-board, including cutting machines of all kinds                                                                                                                                                                                                                                                                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.42                       | Machinery, apparatus and equipment (other than the machine-tools of headings Nos. 84.56 to 84.65), for type-founding or type-setting, for preparing or making printing blocks, plates, cylinders or other printing components; printing type, blocks, plates, cylinders and other printing components; blocks, plates, cylinders and lithographic stones, prepared for printing purposes (for example, planed, grained or polished) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.43                       | Printing machinery, including ink-jet printing machines, other than those of heading No. 84.71; machines for uses ancillary to printing                                                                                                                                                                                                                                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.44                       | Machines for extruding, drawing, texturing or cutting man-made textile materials                                                                                                                                                                                                                                                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT | CONDITIONS TO BE COMPLIED WITH |      |
|-----------------------------|---------|--------------------------------|------|
|                             |         | MDCs                           | LDCs |
|                             |         |                                |      |

|       |                                                                                                                                                                                                                                                                                             |                                                                                                                                        |                                                                                                                                        |
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| 84.45 | Machines for preparing textile fibres; spinning, doubling or twisting machines and other machinery for producing textile yarns; textile reeling or winding (including weft-winding) machines and machines for preparing textile yarns for use on the machines of heading No. 84.46 or 84.47 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.46 | Weaving machines (looms)                                                                                                                                                                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.47 | Knitting machines, stitch-bonding machines and machines for making gimped yarn, tulle, lace, embroidery, trimmings, braid or net and machines for tufting                                                                                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                                                                                                                                                                                                             | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.48                       | Auxiliary machinery for use with machines of heading No. 84.44, 84.45, 84.46 or 84.47 (for example, dobbies, Jacquards, automatic stop motions, shuttle changing mechanisms); parts and accessories suitable for use solely or principally with the machines of this heading or of heading No. 84.44, 84.45, 84.46 or 84.47 (for example, spindles and spindle flyers, card clothing, combs, extruding nipples, shuttles, healds and heald-frames, hosiery needles) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.49                       | Machinery for the manufacture or finishing of felt or non-wovens in the piece or in shapes, including machinery for making felt hats; blocks for making hats                                                                                                                                                                                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.50                       | Household or laundry-type washing machines, including machines which both wash and dry                                                                                                                                                                                                                                                                                                                                                                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.51                       | Machinery (other than machines of heading No. 84.50) for washing, cleaning, wringing, drying, ironing, pressing (including fusing presses), bleaching, dyeing, dressing, finishing, coating or impregnating textile yarns, fabrics or made up textile articles and machines for applying the paste to the base fabric or other support used in the manufacture of floor coverings such as linoleum; machines for reeling, unreeling, folding, cutting or pinking textile fabrics | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.52                       | Sewing machines, other than book-sewing machines of heading No. 84.40; furniture, bases and covers specially designed for sewing machines; sewing machine needles                                                                                                                                                                                                                                                                                                                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.53                       | Machinery for preparing, tanning or working hides, skins or leather or for making or repairing footwear or other articles of hides, skins or leather, other than sewing machines                                                                                                                                                                                                                                                                                                 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                  | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                           | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.54                       | Converters, ladles, ingot moulds and casting machines, of a kind used in metallurgy or in metal foundries                                                                                                 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.55                       | Metal-rolling mills and rolls therefor                                                                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.56                       | Machine-tools for working any material by removal of material, by laser or other light or photon beam, ultrasonic, electro-discharge, electro-chemical, electron beam, ionic-beam or plasma arc processes | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.57                       | Machining centres, unit construction machines (single station) and multi-station transfer machines, for working metal                                                                                     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                            | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.58                       | Lathes (including turning centres) for removing metal                                                                                                                                                                                                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.59                       | Machine-tools (including way-type unit head machines) for drilling, boring, milling, threading or tapping by removing metal, other than lathes (including turning centres) of heading No. 84.58                                                                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.60                       | Machine tools for deburring, sharpening, grinding, honing, lapping, polishing or otherwise finishing metal, or cermets by means of grinding stones, abrasives or polishing products other than gear cutting, gear grinding or gear finishing machines of heading No. 84.61 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.61                       | Machine-tools for planing, shaping, slotting, broaching, gear cutting, gear grinding or gear finishing, sawing, cutting-off and other machine-tools working by removing metal or cermets, not elsewhere specified or included                                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                        | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                                                 | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.62                       | Machine-tools (including presses) for working metal by forging, hammering or die-stamping; machine-tools (including presses) for working metal by bending, folding, straightening, flattening, shearing, punching or notching; presses for working metal or metal carbides, not specified above | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.63                       | Other machine-tools for working metal or cermets, without removing material                                                                                                                                                                                                                     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.64                       | Machine-tools for working stone, ceramics, concrete, asbestos-cement or like mineral materials or for cold working glass                                                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.65                       | Machine-tools (including machines for nailing, stapling, glueing or otherwise assembling) for working wood, cork, bone, hard rubber, hard plastics or similar hard materials                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                         | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                                                  | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.66                       | Parts and accessories suitable for use solely or principally with the machines of headings Nos. 84.56 to 84.65, including work or tool holders, self-opening dieheads, dividing heads and other special attachments for machine-tools; tool holders for any type of tool for working in the hand | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.67                       | Tools for working in the hand, pneumatic, hydraulic or with self-contained non-electric motor                                                                                                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.68                       | Machinery and apparatus for soldering, brazing or welding, whether or not capable of cutting, other than those of heading No. 85.15; gas-operated surface tempering machines and appliances                                                                                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.69                       | Typewriters other than printers of heading No. 84.71; and word processing machines                                                                                                                                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                                                                                                                                                            | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.70                       | Calculating machines and pocket-size data recording, reproducing and displaying machines with calculating functions; accounting machines, postage-franking machines, ticket-issuing machines and similar machines, incorporating a calculating device; cash registers                                                                                                                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 84.71                    | Digital automatic data processing machines, comprising in the same housing at least a central processing unit and an input and output unit, whether or not combined                                                                                                                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product |
| ex 84.71                    | Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data, not elsewhere specified or included (excluding digital automatic data processing machines, comprising in the same housing at least a central processing unit and an input and output unit, whether or not combined) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.72                       | Other office machines (for example, hectograph or stencil duplicating machines, addressing machines, automatic bank-note dispensers, coin-sorting machines, coin-counting or wrapping machines, pencil - sharpening machines, perforating or stapling machines)                                                                                                                                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                                                                                              | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
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|                             |                                                                                                                                                                                                                                                                                                                                                                                                                       | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.73                       | Parts and accessories (other than covers, carrying cases and the like) suitable for use solely or principally with machines of headings Nos. 84.69 to 84.72                                                                                                                                                                                                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.74                       | Machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances, in solid (including powder or paste) form; machinery for agglomerating, shaping or moulding solid mineral fuels, ceramic paste, unhardened cements, plastering materials or other mineral products in powder or paste form; machines for forming foundry moulds of sand | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.75                       | Machines for assembling electric or electronic lamps, tubes or valves or flashbulbs, in glass envelopes; machines for manufacturing or hot working glass or glassware                                                                                                                                                                                                                                                 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                              | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                       | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.76                       | Automatic goods-vending machines (for example, postage stamp, cigarette, food or beverage machines), including money-changing machines                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.77                       | Machinery for working rubber or plastics or for the manufacture of products from these materials, not specified or included elsewhere in this Chapter | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.78                       | Machinery for preparing or making up tobacco, not specified or included elsewhere in this Chapter                                                     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.79                       | Machines and mechanical appliances having individual functions, not specified or included elsewhere in this Chapter                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                 | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                                                                                          | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 84.80                    | Moulding boxes for metal foundry; mould bases; moulding patterns; moulds for metal (other than ingot moulds), metal carbides, glass, mineral materials or rubber                                                                                                                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.81                       | Taps, cocks, valves and similar appliances for pipes, boiler shells, tanks, vats or the like, including pressure-reducing valves and thermostatically controlled valves                                                                                                                                                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.82                       | Ball or roller bearings                                                                                                                                                                                                                                                                                                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.83                       | Transmission shafts (including cam shafts and crank shafts) and cranks; bearing housings and plain shaft bearings; gears and gearing; ball or roller screws; gear boxes and other speed changers, including torque converters; flywheels and pulleys, including pulley blocks; clutches and shaft couplings (including universal joints) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                      | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                               | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 84.84                       | Gaskets and similar joints of metal sheeting combined with other material or of two or more layers of metal; sets or assortments of gaskets and similar joints, dissimilar in composition, put up in pouches, envelopes or similar packings; mechanical seals | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 84.85                       | Machinery parts, not containing electrical connectors, insulators, coils, contacts or other electrical features, not specified or included elsewhere in this Chapter                                                                                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.01                       | Electric motors and generators (excluding generating sets)                                                                                                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.02                       | Electric generating sets and rotary converters                                                                                                                                                                                                                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                   | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
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|                             |                                                                                                                                                                                                                                                                            | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 85.03                       | Parts suitable for use solely or principally with the machines of heading No. 85.01 or 85.02                                                                                                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.04                       | Electrical transformers, static converters (for example, rectifiers) and inductors                                                                                                                                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.05                       | Electro-magnets; permanent magnets and articles intended to become permanent magnets after magnetisation; electro-magnetic or permanent magnet chucks, clamps and similar holding devices; electro-magnetic couplings, clutches and brakes; electro-magnetic lifting heads | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.06                       | Primary cells and primary batteries                                                                                                                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of export price of the finished product     | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                            | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                     | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 85.07                       | Electric accumulators, including separators therefor, whether or not rectangular (including square) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.08                       | Electro-mechanical tools for working in the hand, with self-contained electric motor                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.09                       | Electro-mechanical domestic appliances, with self-contained electric motor                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                                      | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                                                                                                               | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 85.10                       | Shavers, hair clippers and hair-removing appliances, with self-contained electric motor                                                                                                                                                                                                                                                                       | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.11                       | Electrical ignition or starting equipment of a kind used for spark-ignition or compression-ignition internal combustion engines (for example, ignition magnetos, magneto-dynamos, ignition coils, sparking plugs and glow plugs, starter motors); generators (for example, dynamos, alternators) and cut-outs of a kind used in conjunction with such engines | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.12                       | Electrical lighting or signalling equipment (excluding articles of heading No. 85.39), windscreen wipers, defrosters and demisters, of a kind used for cycles or motor vehicles                                                                                                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.13                       | Portable electric lamps designed to function by their own source of energy (for example, dry batteries, accumulators, magnetos), other than lighting equipment of heading No. 85.12                                                                                                                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                      | CONDITIONS TO BE COMPLIED WITH                                 |                                                           |
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|                             |                                                                                                               | MDCs                                                           | LDCs                                                      |
| 85.14                       | Industrial or laboratory electric (including induction or dielectric) furnaces and ovens; other industrial or | Production in which the value of extra-regional materials used | Production in which the value of extra-regional materials |

|          |                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                        |                                                                                                                                        |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|          | laboratory induction or dielectric heating equipment                                                                                                                                                                                                                                                                                                                       | does not exceed 50 per cent of the export price of the finished product                                                                | used does not exceed 60 per cent of the export price of the finished product                                                           |
| 85.15    | Electric (including electrically heated gas), laser or other light or photon beam, ultrasonic, electron beam, magnetic pulse or plasma arc soldering, brazing or welding machines and apparatus, whether or not capable of cutting; electric machines and apparatus for hot spraying of metals or cermets                                                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 85.16 | Immersion heaters; electric space heating apparatus and soil heating apparatus; electro-thermic hair-dressing apparatus (for example, hair dryers, hair curlers, curling tong heaters) and hand dryers; electric smoothing irons; other electro-thermic appliances of a kind used for domestic purposes; electric heating resistors, other than those of heading No. 85.45 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 85.16 | Electric instantaneous or storage water heaters                                                                                                                                                                                                                                                                                                                            | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                            | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 85.17                       | Electrical apparatus for line telephony or line telegraphy, including line telephone sets with cordless handsets and telecommunication apparatus for carrier-current line systems or for digital line systems; videophones | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.18                       | Microphones and stands therefor; loudspeakers, whether or                                                                                                                                                                  | Production in which the value                                                                                                          | Production in which the value                                                                                                          |

|          |                                                                                                                                                                              |                                                                                                                                        |                                                                                                                                        |
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|          | not mounted in their enclosures; headphones, ear-phones and combined microphone/speaker sets; audio-frequency electric amplifiers; electric sound amplifier sets             | of extra-regional materials used does not exceed 50 per cent of the export price of the finished product                               | of extra-regional materials used does not exceed 60 per cent of the export price of the finished product                               |
| 85.19    | Turntables (record-decks), record-players, cassette-players and other sound reproducing apparatus, not incorporating a sound recording device                                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 85.20 | Other magnetic tape recorders and other sound recording apparatus, whether or not incorporating a sound reproducing device (excluding cassette-type magnetic tape recorders) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                       | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 85.20                    | Cassette-type magnetic tape recorders, whether or not incorporating a sound reproducing device | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product |
| 85.21                       | Video recording or reproducing apparatus, whether or not incorporating a video tuner           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.22                       | Parts and accessories suitable                                                                 | Production in                                                                                                                          | Production in                                                                                                                          |

|       |                                                                                                                          |                                                                                                                                        |                                                                                                                                        |
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|       | for use solely or principally with the apparatus of headings Nos. 85.19 to 85.21                                         | which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product               | which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product               |
| 85.23 | Prepared unrecorded media for sound recording or similar recording of other phenomena, other than products of Chapter 37 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                     | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
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|                             |                                                                                                                                                                                                                                                                              | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 85.24                    | Recorded media for sound or other similarly recorded phenomena, including matrices and masters for the production of records, but excluding products of Chapter 37 (excluding records and tapes)                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.25                       | Transmission apparatus for radio-telephony, radio-telegraphy, radio-broadcasting or television, whether or not incorporating reception apparatus or sound recording or reproducing apparatus; television cameras; still image video cameras and other video camera recorders | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.26                       | Radar apparatus, radio navigational aid apparatus and radio remote control apparatus                                                                                                                                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 85.27                    | Other reception apparatus for                                                                                                                                                                                                                                                | Production in                                                                                                                          | Production in                                                                                                                          |

|                                                                                                                                                                                                                  |                                                                                                                          |                                                                                                                          |
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| radio-telephony or radio-telegraphy, whether or not combined, in the same housing, with sound recording or reproducing apparatus or a clock (excluding radio-broadcast receivers, car stereos and music centres) | which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
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| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                   | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                            | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 85.27                    | Radio-broadcast receivers, car stereos and music centres                                                                                   | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product |
| ex 85.28                    | Video monitors and video projectors; reception apparatus for television, incorporating sound or video recording or reproducing apparatus   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 85.28                    | Reception apparatus for television (excluding video monitors and video projectors), whether or not incorporating radio-broadcast receivers | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product |
| 85.29                       | Parts suitable for use solely or principally with the apparatus of headings Nos. 85.25 to 85.28                                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |



| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                         | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 85.30                       | Electrical signalling, safety or traffic control equipment for railways, tramways, roads, inland waterways, parking facilities, port installations or airfields (other than those of heading No. 86.08) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.31                       | Electric sound or visual signalling apparatus (for example, bells, sirens, indicator panels, burglar or fire alarms), other than those of heading No. 85.12 or 85.30                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.32                       | Electrical capacitors, fixed, variable or adjustable (pre-set)                                                                                                                                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.33                       | Electrical resistors (including rheostats and potentiometers), other than heating resistors                                                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS         | CONDITIONS TO BE                                | COMPLIED WITH                              |
|-----------------------------|------------------|-------------------------------------------------|--------------------------------------------|
|                             |                  | MDCs                                            | LDCs                                       |
| 85.34                       | Printed circuits | Production in which the value of extra-regional | Production in which the value of extra-re- |

|       |                                                                                                                                                                                                                                                                                   |                                                                                                                                        |                                                                                                                                        |
|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|       |                                                                                                                                                                                                                                                                                   | materials used does not exceed 50 per cent of the export price of the finished product                                                 | gional materials used does not exceed 60 per cent of the export price of the finished product                                          |
| 85.35 | Electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits (for example, switches, fuses, lightning arrestors, voltage limiters, surge suppressors, plugs, junction boxes), for a voltage exceeding 1,000 volts | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.36 | Electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits (for example, switches, relays, fuses, surge suppressors, plugs, sockets, lamp holders, junction boxes), for a voltage not exceeding 1,000 volts     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 85.37                    | Other boards, panels consoles, desks, cabinets and other bases, equipped with two or more apparatus of heading No. 85.35 or 85.36, for electric control or the distribution of electricity including those incorporating instruments or apparatus of Chapter 90, and numerical control apparatus, other than switching apparatus of heading No. 85.17 (excluding load centres, panel boards, meter sockets, meter control centres, switchboards, unit sub-stations, and protective devices) | production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 85.37                    | Load centres, panel boards, meter sockets, meter control centres, switchboards, unit sub-stations and protective devices                                                                                                                                                                                                                                                                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 55 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 65 per cent of the export price of the finished product |
| 85.38                       | Parts suitable for use solely or principally with the apparatus of heading No. 85.35, 85.36 or 85.37                                                                                                                                                                                                                                                                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 85.39                    | Incandescent light bulbs                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Produced from regional materials of 85.39                                                                                              | Produced from regional materials of 85.39                                                                                              |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                  | CONDITIONS TO BE COMPLIED WITH                                 |                                                           |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------|
|                             |                                                                                                                           | MDCs                                                           | LDCs                                                      |
| 85.40                       | Thermionic, cold cathode or photo-cathode valves and tubes (for example, vacuum or vapour or gas filled valves and tubes, | Production in which the value of extra-regional materials used | Production in which the value of extra-regional materials |

|       |                                                                                                                                                                                                                                                      |                                                                                                                                               |                                                                                                                                               |
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|       | <i>mercury arc rectifying valves and tubes, cathode-ray tubes, television camera tubes)</i>                                                                                                                                                          | <i>does not exceed 50 per cent of the export price of the finished product</i>                                                                | <i>used does not exceed 60 per cent of the export price of the finished product</i>                                                           |
| 85.41 | <i>Diodes, transistors and similar semiconductor devices; photosensitive semiconductor devices, including photo-voltaic cells whether or not assembled in modules or made up into panels; light emitting diodes; mounted piezo-electric crystals</i> | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 85.42 | <i>Electronic integrated circuits and microassemblies</i>                                                                                                                                                                                            | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 85.43 | <i>Electrical machines and apparatus, having individual functions, not specified or included elsewhere in this Chapter</i>                                                                                                                           | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                    | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                             | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 85.44                    | Cable (including co-axial cable) and other insulated electric conductors, whether or not fitted with connectors; optical fibre cables, made up of individually sheathed fibres, whether or not assembled with electric conductors or fitted with connectors | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.45                       | Carbon electrodes, carbon brushes, lamp carbons, battery carbons and other articles of graphite or other carbon, with or without metal, of a kind used for electrical purposes                                                                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 85.46                       | Electrical insulators of any material                                                                                                                                                                                                                       | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                                                                          | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                                                                                   | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 85.47                       | Insulating fittings for electrical machines, appliances or equipment, being fittings wholly of insulating material apart from any minor components of metal (for example, threaded sockets) incorporated during moulding solely for purposes of assembly, other than insulators of heading No. 85.46; electrical conduit tubing and joints therefor, of base metal lined with insulating material | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 85.48                    | Electrical parts of machinery or apparatus, not specified or included elsewhere in this Chapter                                                                                                                                                                                                                                                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 86.01                       | Rail locomotives powered from an external source of electricity or by electric accumulators                                                                                                                                                                                                                                                                                                       | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 86.02                       | Other rail locomotives; locomotive tenders                                                                                                                                                                                                                                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                          | CONDITIONS TO BE COMPLIED WITH                                 |                                                           |
|-----------------------------|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------|
|                             |                                                                                                   | MDCs                                                           | LDCs                                                      |
| 86.03                       | Self-propelled railway or tramway coaches, vans and trucks, other than those of heading No. 86.04 | Production in which the value of extra-regional materials used | Production in which the value of extra-regional materials |

|       |                                                                                                                                                                                                             |                                                                                                                                        |                                                                                                                                        |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|       |                                                                                                                                                                                                             | does not exceed 50 per cent of the export price of the finished product                                                                | used does not exceed 60 per cent of the export price of the finished product                                                           |
| 86.04 | Railway or tramway maintenance or service vehicles, whether or not self-propelled (for example, workshops, cranes, ballast tampers, trackliners, testing coaches and track inspection vehicles)             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 86.05 | Railway or tramway passenger coaches, not self-propelled; luggage vans, post office coaches and other special purpose railway or tramway coaches, not self-propelled (excluding those of heading No. 86.04) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 86.06 | Railway or tramway goods vans and wagons, not self-propelled                                                                                                                                                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                               | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
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|                             |                                                                                                                                                                                                                                                                        | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 86.07                       | Parts of railway or tramway locomotives or rolling-stock                                                                                                                                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 86.08                       | Railway or tramway track fixtures and fittings; mechanical (including electro-mechanical) signalling, safety or traffic control equipment for railways, tramways, roads, inland waterways, parking facilities, port installations or airfields; parts of the foregoing | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 86.09                       | Containers (including containers for the transport of fluids) specially designed and equipped for carriage by one or more modes of transport                                                                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.01                       | Tractors (other than tractors of heading No. 87.09)                                                                                                                                                                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                            | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 87.02                       | Motor vehicles for the transport of ten or more persons, including the driver                                                                                                                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 87.03                    | Other Motor vehicles principally designed for the transport of persons (other than those of heading No. 87.02), including racing cars (excluding motor cars, station wagons and four-wheel drive vehicles) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 87.03                    | Motor cars, station wagons and four-wheel drive vehicles                                                                                                                                                   | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 70 per cent of the export price of the finished product |
| ex 87.04                    | Motor vehicles for the transport of goods (excluding lorries and trucks)                                                                                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                          | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                   | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 87.04                    | Lorries and trucks                                                                                                                                                                                                                                                                                | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 70 per cent of the export price of the finished product |
| 87.05                       | Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire fighting vehicles, concrete-mixer lorries, road sweeper lorries, spraying lorries, mobile work-shops, mobile radiological units) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.06                       | Chassis fitted with engines, for the motor vehicles of headings Nos. 87.01 to 87.05                                                                                                                                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.07                       | Bodies (including cabs), for the motor vehicles of headings Nos. 87.01 to 87.05                                                                                                                                                                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                      | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                               | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 87.08                       | Parts and accessories of the motor vehicles of headings Nos. 87.01 to 87.05                                                                                                                                                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.09                       | Works trucks, self-propelled, not fitted with lifting or handling equipment, of the type used in factories, warehouses, dock areas or airports for short distance transport of goods; tractors of the type used on railway station platforms; parts of the foregoing vehicles | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.10                       | Tanks and other armoured fighting vehicles, motorised, whether or not fitted with weapons, and parts of such vehicles                                                                                                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.11                       | Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars                                                                                                                                                                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                        | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                 | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 87.12                       | Bicycles and other cycles (including delivery tricycles), not motorised         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.13                       | Invalid carriages, whether or not motorised or otherwise mechanically propelled | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.14                       | Parts and accessories of vehicles of headings Nos. 87.11 to 87.13               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 87.15                       | Baby carriages and parts thereof                                                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                               | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                        | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 87.16                       | Trailers and semi-trailers; other vehicles, not mechanically propelled; parts thereof                                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 88.01                       | Balloons and dirigibles; gliders, hang gliders and other non-powered aircraft                                                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 88.02                       | Other aircraft (for example, helicopters, aeroplanes); spacecraft (including satellites) and suborbital and spacecraft launch vehicles | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 88.03                       | Parts of goods of heading No. 88.01 or 88.02                                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                     | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                              | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 88.04                       | Parachutes (including dirigible parachutes and paragliders) and rotochutes; parts thereof and accessories thereto            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 88.05                       | Aircraft launching gear; deck-arrestor or similar gear; ground flying trainers; parts of the foregoing articles              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 89.01                       | Cruise ships, excursion boats, ferry-boats and cargo ships, barges and similar vessels for the transport of persons or goods | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                 | CONDITIONS TO BE COMPLIED WITH                                                                                                                |                                                                                                                                               |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                          | MDCs                                                                                                                                          | LDCs                                                                                                                                          |
| 89.02                       | <i>Fishing vessels; factory ships and other vessels for processing or preserving fishery products</i>                                                                                                                    | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 89.03                       | <i>Yachts and other vessels for pleasure or sports; rowing boats and canoes</i>                                                                                                                                          | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 89.04                       | <i>Tugs and pusher craft</i>                                                                                                                                                                                             | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 89.05                       | <i>Light-vessels, fire-floats, dredgers, floating cranes, and other vessels the navigability of which is subsidiary to their main function; floating docks; floating or submersible drilling or production platforms</i> | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                          | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                   | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 89.06                       | Other vessels, including war-ships and lifeboats other than rowing boats                                                                                                                                                                                                                                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 89.07                       | Other floating structures (for example, rafts, tanks, cofferdams, landing-stages, buoys and beacons)                                                                                                                                                                                                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 89.08                       | Vessels and other floating structures for breaking up                                                                                                                                                                                                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.01                       | Optical fibres and optical fibre bundles; optical fibre cables other than those of heading No. 85.44; sheets and plates of polarising material; lenses (including contact lenses), prisms, mirrors and other optical elements, of any material, unmounted, other than such elements of glass not optically worked | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                             | CONDITIONS TO BE COMPLIED WITH                                                                                                                |                                                                                                                                               |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                      | MDCs                                                                                                                                          | LDCs                                                                                                                                          |
| 90.02                       | <i>Lenses, prisms, mirrors and other optical elements, of any material, mounted, being parts or of fittings for instruments or apparatus, other than such elements of glass not optically worked</i> | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 90.03                       | <i>Frames and mountings for spectacles, goggles or the like, and parts thereof</i>                                                                                                                   | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 90.04                       | <i>Spectacles, goggles and the like, corrective, protective or other</i>                                                                                                                             | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |
| 90.05                       | <i>Binoculars, monoculars, other optical telescopes, and mountings therefor; other astronomical instruments and mountings therefor, but not including instruments for radio-astronomy</i>            | <i>Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product</i> | <i>Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product</i> |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                            | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                     | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 90.06                       | Photographic (other than cinematographic) cameras; photographic flashlight apparatus and flashbulbs other than discharge lamps of heading No. 85.39 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.07                       | Cinematographic cameras and projectors, whether or not incorporating sound recording or reproducing apparatus                                       | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.08                       | Image projectors, other than cinematographic; photographic (other than cinematographic) enlargers and reducers                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.09                       | Photo-copying apparatus incorporating an optical system or of the contact type and thermo-copying apparatus                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                               | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                        | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 90.10                       | Apparatus and equipment for photographic (including cinematographic) laboratories (including apparatus for the projection or drawing of circuit patterns on sensitised semiconductor materials), not specified or included elsewhere in this Chapter; negatoscopes; projection screens | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.11                       | Compound optical microscopes, including those for photomicrography, cinephotomicrography or microprojection                                                                                                                                                                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.12                       | Microscopes other than optical microscopes; diffraction apparatus                                                                                                                                                                                                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.13                       | Liquid crystal devices not constituting articles provided for more specifically in other headings; lasers, other than laser diodes; other optical appliances and instruments, not specified or included elsewhere in this Chapter                                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                         | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                                  | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 90.14                       | Direction finding compasses; other navigational instruments and appliances                                                                                                                                                                                                                                                                       | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.15                       | Surveying (including photogrammetrical surveying), hydrographic, oceanographic, hydrological, meteorological or geophysical instruments and appliances, excluding compasses; rangefinders                                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.16                       | Balances of a sensitivity of 5 cg or better, with or without weights                                                                                                                                                                                                                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.17                       | Drawing, marking-out or mathematical calculating instruments (for example, drafting machines, pantographs, protractors, drawing sets, slide rules, disc calculators); instruments for measuring length, for use in the hand (for example, measuring rods and tapes, micrometers, callipers), not specified or included elsewhere in this Chapter | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                     | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                              | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 90.18                       | Instruments and appliances used in medical, surgical, dental or veterinary sciences, including scintigraphic apparatus, other electro-medical apparatus and sight-testing instruments                                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.19                       | Mechano-therapy appliances; massage apparatus; psychological aptitude-testing apparatus; ozone therapy, oxygen therapy, aerosol therapy, artificial respiration or other therapeutic respiration apparatus                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.20                       | Other breathing appliances and gas masks, excluding protective masks having neither mechanical parts nor replaceable filters                                                                                                                                                 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.21                       | Orthopaedic appliances, including crutches, surgical belts and trusses; splints and other fracture appliances; artificial parts of the body; hearing aids and other appliances which are worn or carried, or implanted in the body, to compensate for a defect or disability | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                               | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                                        | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 90.22                       | Apparatus based on the use of X-rays or of alpha, beta or gamma radiations, whether or not for medical, surgical, dental or veterinary uses, including radiography or radiotherapy apparatus, X-ray tubes and other X-ray generators, high tension generators, control panels and desks, screens, examination or treatment tables, chairs and the like | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.23                       | Instruments, apparatus and models, designed for demonstrational purposes (for example, in education or exhibitions), unsuitable for other uses                                                                                                                                                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.24                       | Machines and appliances for testing the hardness, strength, compressibility, elasticity or other mechanical properties of materials (for example, metals, wood, textiles, paper, plastics)                                                                                                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.25                       | Hydrometers and similar floating instruments, thermometers, pyrometers, barometers, hygrometers and psychrometers, recording or not, and any combination of these instruments                                                                                                                                                                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                                                                                                 | CONDITIONS TO BE                                                                                                                       | COMPLIED WITH                                                                                                                          |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                                                                                          | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 90.26                       | Instruments and apparatus for measuring or checking the flow, level, pressure or other variables of liquids or gases (for example, flow meters, level gauges, manometers, heat meters), excluding instruments and apparatus of heading No. 90.14, 90.15, 90.28 or 90.32                                                                                                                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.27                       | Instruments and apparatus for physical or chemical analysis (for example, polarimeters, refractometers, spectrometers, gas or smoke analysis apparatus), instruments and apparatus for measuring or checking viscosity, porosity, expansion, surface tension or the like; instruments and apparatus for measuring or checking quantities of heat, sound or light (including exposure meters); microtomes | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.28                       | Gas, liquid or electricity supply or production meters, including calibrating meters therefor                                                                                                                                                                                                                                                                                                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.29                       | Revolution counters, production counters, taximeters, mileometers, pedometers and the like; speed indicators and tachometers, other than those of heading No. 90.14 or 90.15; stroboscopes                                                                                                                                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                | CONDITIONS TO BE              | COMPLIED WITH                 |
|-----------------------------|---------------------------------------------------------|-------------------------------|-------------------------------|
|                             |                                                         | MDCs                          | LDCs                          |
| 90.30                       | Oscilloscopes, spectrum analyzers and other instruments | Production in which the value | Production in which the value |

|       |                                                                                                                                                                                                                           |                                                                                                                                        |                                                                                                                                        |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|       | and apparatus for measuring or checking electrical quantities, excluding meters of heading No. 90.28; instruments and apparatus for measuring or detecting alpha, beta, gamma, X-ray, cosmic or other ionising radiations | of extra-regional materials used does not exceed 50 per cent of the export price of the finished product                               | of extra regional materials used does not exceed 60 per cent of the export price of the finished product                               |
| 90.31 | Measuring or checking instruments, appliances and machines, not specified or included elsewhere in this Chapter; profile projectors                                                                                       | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.32 | Automatic regulating or controlling instruments and apparatus                                                                                                                                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 90.33 | Parts and accessories (not specified or included elsewhere in this Chapter) for machines, appliances, instruments or apparatus of Chapter 90                                                                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                  | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                           | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 91.01                       | Wrist-watches, pocket-watches and other watches, including stop-watches, with case of precious metal or of metal clad with precious metal | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.02                       | Wrist-watches, pocket-watches and other watches, including stop-watches, other than those of heading No. 91.01                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.03                       | Clocks with watch movements, excluding clocks of heading No. 91.04                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.04                       | Instrument panel clocks and clocks of a similar type for vehicles, aircraft, spacecraft or vessels                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                               | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                        | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 91.05                       | Other clocks                                                                                                                                                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.06                       | Time of day recording apparatus and apparatus for measuring, recording or otherwise indicating intervals of time, with clock or watch movement or with synchronous motor (for example, time-registers, time recorders) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.07                       | Time switches with clock or watch movement or with synchronous motor                                                                                                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.08                       | Watch movements, complete and assembled                                                                                                                                                                                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                           | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                    | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 91.09                       | Clock movements, complete and assembled                                                                                                                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.10                       | Complete watch or clock movements, unassembled or partly assembled (movement sets); incomplete watch or clock movements, assembled; rough watch or clock movements | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.11                       | Watch cases and parts thereof                                                                                                                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 91.12                       | Clock cases and cases of a similar type for other goods of this Chapter, and parts thereof                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                         | CONDITIONS TO BE COMPLIED WITH                                                 |                                                                         |
|-----------------------------|------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------------|
|                             |                                                                  | MDCs                                                                           | LDCs                                                                    |
| 91.13                       | Watch straps, watch bands and watch bracelets, and parts thereof | Production in which the value of extra-regional materials used does not exceed | Production in which the value of extra-regional materials used does not |

|          |                                                                                          |                                                                                                                                        |                                                                                                                                        |
|----------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|          |                                                                                          | 50 per cent of the export price of the finished product                                                                                | exceed 60 per cent of the export price of the finished product                                                                         |
| 91.14    | Other clock or watch parts                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 92.01    | Pianos, including automatic pianos; harpsichords and other keyboard stringed instruments | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 92.02 | Other string musical instruments (excluding guitars)                                     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                        | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                 | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 92.03                       | Keyboard pipe organs; harmoniums and similar keyboard instruments with free metal reeds                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 92.04                       | Accordions and similar instruments; mouth organs                                                                                | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 92.05                       | Other wind musical instruments; (for example, clarinets, trumpets, bagpipes)                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 92.06                    | Percussion musical instruments (for example, drums, xylophones, cymbals, castanets, maraccas) (excluding steelband instruments) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                 | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                          | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 92.07                       | Musical instruments, the sound of which is produced, or must be amplified, electrically (for example, organs, guitars, accordions)                                                                                                                                                       | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 92.08                       | Musical boxes, fairground organs, mechanical street organs, mechanical singing birds, musical saws and other musical instruments not falling within any other heading of this Chapter; decoy calls of all kinds; whistles, call horns and other mouth-blown sound signalling instruments | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 92.09                       | Parts (for example, mechanisms for musical boxes) and accessories (for example, cards, discs and rolls for mechanical instruments) of musical instruments; metronomes, tuning forks and pitch pipes of all kinds                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 93.01                       | Military weapons, other than revolvers, pistols and arms of heading No. 93.07                                                                                                                                                                                                            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                               | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                                        | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 93.02                       | Revolvers and pistols, other than those of heading No. 93.03 or 93.04                                                                                                                                                                                                                                                                  | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 93.03                       | Other firearms and similar devices which operate by the firing of an explosive charge (for example, sporting shot-guns and rifles, muzzle-loading firearms, Very pistols and other devices designed to project only signal flares, pistols and revolvers for firing blank ammunition, captive-bolt humane killers, line-throwing guns) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 93.04                       | Other arms (for example, spring, air or gas guns and pistols, truncheons), excluding those of heading No. 93.07                                                                                                                                                                                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 93.05                       | Parts and accessories of articles of headings Nos. 93.01 to 93.04                                                                                                                                                                                                                                                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                          | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                   | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 93.06                       | Bombs, grenades, torpedoes, mines, missiles, and similar munitions of war and parts thereof; cartridges and other ammunition and projectiles and parts thereof, including shot and cartridge wads | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 93.07                       | Swords, cutlasses, bayonets, lances and similar arms and parts thereof and scabbards and sheaths therefor                                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 94.01                    | Office chairs with tilting mechanisms and/or metal support bases                                                                                                                                  | Produced from tilting mechanisms and/or metal support bases of 94.01 or from materials not included in 94.01                           | Produced from tilting mechanisms and/or metal support bases of 94.01 or from materials not included in 94.01                           |
| ex 94.01                    | Other metal chairs of a kind used in offices                                                                                                                                                      | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                         | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 94.02                       | Medical, surgical, dental or veterinary furniture (for example, operating tables, examination tables, hospital beds with mechanical fittings, dentists' chairs); barbers' chairs and similar chairs, having rotating as well as both reclining and elevating movements; parts of the foregoing articles | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 94.03                    | Other metal furniture of a kind used in offices                                                                                                                                                                                                                                                         | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product |
| ex 94.04                    | Articles of bedding and similar furnishing (excluding mattresses, cushions, pouffes and pillows; mattress supports)                                                                                                                                                                                     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 94.06                    | Prefabricated buildings, of wood                                                                                                                                                                                                                                                                        | Produced from regional materials of Chapter 44                                                                                         | Produced from regional materials of Chapter 44                                                                                         |
| 95.01                       | Wheeled toys designed to be ridden by children (for example, tricycles, scooters, pedal cars); dolls' carriages                                                                                                                                                                                         | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                           | CONDITIONS TO BE COMPLIED WITH                                 |                                                           |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------|
|                             |                                                                                                                    | MDCs                                                           | LDCs                                                      |
| ex 95.04                    | Articles for funfair, table or parlour games, including pin-tables, billiards, special tables for casino games and | Production in which the value of extra-regional materials used | Production in which the value of extra-regional materials |

|          |                                                                                                                                                                                                                                  |                                                                                                                                        |                                                                                                                                        |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|          | automatic bowling alley equipment (excluding draught and chess boards)                                                                                                                                                           | does not exceed 50 per cent of the export price of the finished product                                                                | used does not exceed 60 per cent of the export price of the finished product                                                           |
| ex 95.05 | Festive or other entertainment articles, including conjuring tricks and novelty jokes (excluding carnival articles)                                                                                                              | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 95.06 | Articles and equipment for gymnastics, athletics, other sports (including table-tennis) or outdoor games, not specified or included elsewhere in this Chapter; swimming pools and paddling pools (excluding table-tennis boards) | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 95.07    | Fishing rods, fish-hooks and other line fishing tackle; fish landing nets, butterfly nets and similar nets; decoy "birds" (other than those of heading No. 92.08 or 97.05) and similar hunting or shooting requisites            | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                  | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                           | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 95.08                    | Shooting galleries and other fairground amusements (excluding roundabouts and swings); travelling circuses, travelling menageries and travelling theatres | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 96.01                    | Worked ivory, bone, tortoise-shell, horn, antlers, coral, mother-of-pearl and other animal carving material                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 96.02                    | Worked vegetable or mineral carving material; worked, un-hardened gelatin (except gelatin of heading No. 35.03)                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                        | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                 | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 96.03                    | Brooms, mops and paint rollers, with handles of wood                                                            | Produced from materials not included in 96.03 and from regional handles of Chapter 44                                                  | Produced from materials not included in 96.03 and from regional handles of Chapter 44                                                  |
| 96.04                       | Hand sieves and hand riddles                                                                                    | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 96.05                       | Travel sets for personal toilet, sewing or shoe or clothes cleaning                                             | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 96.06                    | Press-fasteners, snap-fasteners and press-studs, button moulds and other parts of these articles; button blanks | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                                                                                                                                                                   | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                                                                                                                                                            | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| ex 96.07                    | Parts of slide fasteners                                                                                                                                                                                                                                                                                                   | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 96.07                    | Slide fasteners                                                                                                                                                                                                                                                                                                            | Production in which the value of extra-regional materials used does not exceed 40 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product |
| 96.08                       | Ball point pens; felt tipped and other porous-tipped pens and markers; fountain pens, stylograph pens and other pens; duplicating stylos; propelling or sliding pencils; pen-holders, pencil-holder and similar holders; parts (including caps and clips) of the foregoing articles, other than those of heading No. 96.09 | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 96.09                    | Pencil leads, pastels, drawing charcoals and tailors' chinks                                                                                                                                                                                                                                                               | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                                             | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                                                      | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 96.10                       | Slates and boards, with writing or drawing surfaces, whether or not framed                                                                                                           | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| ex 96.11                    | Embossing stamps, designed for operating in the hand; hand-operated composing sticks and hand printing sets incorporating such composing sticks                                      | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 96.12                       | Typewriter or similar ribbons, inked or otherwise prepared for giving impressions, whether or not on spools or in cart-ridges; ink-pads, whether or not inked, with or without boxes | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 96.13                       | Cigarette lighters and other lighters, whether or not mechanical or electrical, and parts thereof other than flints and wicks                                                        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCTS                                                                                                                                                    | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                                                                             | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 96.14                       | Smoking pipes (including pipe bowls) and cigar and cigarette holders, and parts thereof                                                                     | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 96.15                       | Combs, hair-slides and the like; hairpins, curling pins, curling grips, hair-curlers and the like, other than those of heading No. 85.16, and parts thereof | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 96.16                       | Scent sprays and similar toilet sprays, and mounts and heads therefor; powder-puffs and pads for the application of cosmetics or toilet preparations        | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |
| 96.17                       | Vacuum flasks and other vacuum vessels, complete with cases; parts thereof other than glass inners                                                          | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

| TARIFF<br>HEADING<br>NUMBER | PRODUCT                                                                                                    | CONDITIONS TO BE COMPLIED WITH                                                                                                         |                                                                                                                                        |
|-----------------------------|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                             |                                                                                                            | MDCs                                                                                                                                   | LDCs                                                                                                                                   |
| 96.18                       | Tailors' dummies and other lay figures; automata and other animated displays used for shop window dressing | Production in which the value of extra-regional materials used does not exceed 50 per cent of the export price of the finished product | Production in which the value of extra-regional materials used does not exceed 60 per cent of the export price of the finished product |

## **(b) RULES REGARDING COMMUNITY ORIGIN**

*For the purpose of determining the origin of goods under Article 84 of the Treaty and for the application of that Article and the List, the following Rules shall be applied.*

### **RULE 1 - Interpretative Provisions**

1. *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 Community.*

2. *For the purpose of these Rules 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 majority 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*

*In this paragraph nationals of Member States shall have the same meaning as in paragraph 5 of Article 32 of this Treaty.*

3. *"Materials" includes raw materials, intermediate products, parts and components used in the process of production, repair, renovation or improvement of the goods.*

4. *Energy, fuel, plant, machinery and tools used in the production, repair, renovation or improvement of goods within the Community and materials used in the maintenance of such plant, machinery and tools, shall be regarded as wholly produced within the Community when determining the origin of these goods.*

5. *Goods other than those to which paragraph 1 of Rule 2 of these Rules applies shall not be treated as being of Community origin if they are produced by any operation or process which consists only of one or more of the following, whether or not there is a change of tariff heading -*

- (a) operations to ensure the preservation of goods during transport and storage (ventilation, spreading out, drying, chilling, placing in salt, sulphur dioxide or other aqueous solution, removal of damaged parts, and like operations);*
- (b) simple operations consisting of removal of dust, sifting or screening, sorting, grading, classifying, matching (including the making up of sets of articles), washing, painting and cutting up resulting in the mere reduction in size;*
- (c) (i) changes of packing;*

(ii) *simple placing in bottles, flasks, bags, cases, boxes, fixing on cards or boards and other simple packing operations;*

(d) *affixing marks, labels or other like distinguishing signs on goods or their packaging;*

(e) *simple mixing of materials imported from outside the Community or of undetermined origin if the characteristics of the goods as a whole are not essentially different from the characteristics of the materials which have been mixed;*

(f) *operations which consist solely of welding, soldering, fastening, riveting, bolting and like operations, or otherwise putting together of all finished parts or components to constitute a finished product.*

6. *"Chapter" and "tariff heading" in article 84 or in this Schedule shall mean the Chapters and headings of the Harmonised Commodity Description and Coding System.*

7. *For the purpose of sub-paragraph (f) of paragraph 5, the expression "finished parts or components" refers to those articles which are imported into the Community in a form or condition which does not require any further fabrication, change in shape or form, resulting in a change in identity or use or the application of permanent protective/decorative coating for the purposes of incorporation in the finished product.*

8. *Paragraphs 5(f) and 7 in this Rule shall take effect one year after the entry into force of the amendment of this Schedule, pursuant to the decision of the Council at its Special Meeting in July 1990.*

## ***RULE 2 - Goods wholly produced within the Community***

1. *The expression "wholly produced" when used with reference to goods means:*

(a) *mineral products extracted from the ground within the Community;*

(b) *vegetable products harvested within the Community;*

(c) *live animals born and raised within the Community;*

(d) *products obtained within the Community from live animals;*

(e) *products obtained by hunting or fishing conducted within the Community;*

(f) *marine products taken from the sea by a vessel of a Member State;*

(g) *goods produced within the Community exclusively from one or both of the following -*

- (i) goods referred to in sub-paragraphs (a) to (f) and (h) and (i) of this paragraph;
- (ii) goods containing no materials imported from outside the Community or of undetermined origin, or containing those materials but which would not be regarded as such under paragraph 1 of Rule 3;

and shall be taken to include -

- (h) used articles fit only for the recovery of materials provided that they have been collected from users within the Community;
- (i) scrap and waste resulting from manufacturing operations within the Community.

2. Wherever in paragraph 1 of Article 84 of this Treaty goods are required to be wholly produced, the use of small quantities of preservatives, vitamins, colouring and similar materials imported from outside the Community or of undetermined origin shall not affect their eligibility for Community treatment as wholly produced.

### **RULE 3 - Application of the criterion of substantial transformation**

1. Where materials containing any element imported from outside the Community meet the conditions specified in Article 84, those materials shall be regarded as containing no such element.

2. For the purpose of Article 84 -

- (a) the value of any materials imported from outside the Community shall be the customs value determined for them by the Customs Authority in 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;
- (b) if the origin of any materials cannot be determined, such materials shall be deemed to have been imported from outside the Community;
- (c) the export price of the goods shall be the value accepted for this purpose by the Customs Authority in the Member State in which they were produced. It shall be based, *mutatis mutandis*, on the provision set out in sub-paragraph (a), but shall not include the amounts of transport and insurance costs incurred after the exportation of the goods.

3. In the application of the List the conditions to be complied with other than a percentage value-added condition applicable to any goods shall be fulfilled in respect of the whole of the goods, excluding any packing.

4. The expressions appearing in the columns headed "conditions to be complied with" in the List and set out below shall be applied in the following manner:

- (a) "produced from regional materials of" - the materials falling within the tariff headings or Chapters named may be used only if they qualify to be treated as of Community origin within the meaning of Article 84. This does not preclude the use of regional materials in an earlier stage of production;
- (b) "produced from materials of" and "produced from" - the materials named or designated as the case may be must be used in the condition in which they are described. This does not preclude the use of the materials in an earlier stage of

*production;*

- (c) *"produced from materials not included in" - the materials which fall in the tariff headings named may not be used if they are imported from outside the Community or are of undetermined origin;*
- (d) *"extraregional materials" shall mean materials imported from outside the Community or of undetermined origin;*
- (e) *"chemical transformation" shall mean the forming of the molecule of the finished product by -*
  - (i) *the combination of two or more elements; or*
  - (ii) *any modification of the structure of the molecule of a compound with the exception of ionisation and the addition or removal of water of crystallisation.*

#### **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 Harmonised Commodity Description and Coding System 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 - 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 Community 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 Member States concerned in order to ensure that adequate control measures will be applied.*

#### **RULE 6 - Treatment of repaired goods**

1. *For the purposes of paragraph 4 of Article 84 goods shall be treated as having undergone*

*a process of repair, renovation or improvement if the performance of such process within the Community does not result in a change of the form or character of the goods.*

2. *The cost of repair, renovation or improvement shall refer to the cost of all materials which are used plus the costs involved in effecting the repair, renovation or improvement, excluding freight, other transport charges, insurance and other shipping costs.*

#### **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 or such packing.*

2. *Where paragraph 1 of this Rule is not applied, packing of any sort shall be considered as forming a whole with the goods for the purposes only of the application of the percentage value-added conditions. No part of any packing required for the transport or storage of goods shall be considered as having been imported from outside the Community when determining the origin of the goods as a whole.*

#### **RULE 8 - Documentary Evidence**

1. *A claim that goods shall be accepted as eligible for Community tariff treatment shall be supported by appropriate documentary evidence of origin and consignment. The evidence of origin shall consist of 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 declaration completed by the exporter of the goods.*

2. *The governmental authority or the authorised body shall obtain a declaration as to the origin of the goods given by the last producer of the goods within the Community. The authority or 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.*

3. *Nominations of authorised bodies for the purpose 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.*

4. *In cases where the Member States concerned recognise that it is impracticable for the producer to make the declaration of origin specified in paragraph 2 of this Rule, the exporter may make that declaration in such form as those Member States may for the purpose specify.*

5. *The certificate and declaration provided for in this Rule shall be in the form prescribed by COTED from time to time.*

6. *COTED may decide that further or different provisions concerning evidence of origin or of consignment shall apply to particular categories of goods or classes or 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 - Application of the Safeguard Mechanism***

1. *The information required pursuant to paragraph 4 of Article 84 shall be rendered in writing and shall be such as the Competent Authority may require.*

2. *For the purposes of carrying out his investigations, the Secretary-General may seek such additional information as he considers to be relevant. Replies to the enquiries by the Secretary-General should be sent by telex, telefax or other similar means of communication.*

3. *The Competent Authority shall ensure that no more extraregional materials are used in production for purposes of Common Market treatment than are authorised by the Secretary-General. The Competent Authority shall make available to the Governmental authority or authorised body nominated for his State under paragraph 1 of Rule 8 such information as may be necessary for this purpose.*

4. *The Member States agree to cooperate fully with the Secretary-General in the foregoing provisions of this Rule.*

#### ***RULE 11 - 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 Community tariff treatment. The penalties applicable shall be similar to those applicable in case 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.*



## **SCHEDULE II**

### **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 87 on imports into that State of unrefined cane sugar from any other part of the Community.*

2. *Any Member State taking measures in accordance with paragraph 1 shall notify them to COTED, if possible before they come into force.*

# **SCHEDULE III**

## **DEVELOPMENT OF THE OILS AND FATS SUB-SECTOR**

### **Preamble**

*The Member States:*

**Recognising** that it is their policy to -

- (ii) *enhance the long-term viability of the regional oils and fats industry;*
- (iii) *facilitate the regional marketing of oils produced from indigenous raw materials;*
- (iv) *encourage the development and marketing of a wider range of competitive value-added products especially in the less developed countries;*
- (v) *encourage the role of the private sector in determining the conduct of the trade,*

**Have Agreed** as follows:

### **PART I**

#### **Preliminary**

#### **1. Use of Terms**

*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 Community and which is included in Appendix I to this Schedule;

**“(Intra-Regional)Price”** means the f.o.b. price of raw materials, refined edible oil and hydrogenated edible fats, when exported from one Member State to another;

**“oils and fats”** means oilseeds, their seedlings and intermediate or final products including margarine, shortening and soaps in the form of toilet and laundry derived therefrom, provided those oilseeds and seedlings qualify as being of Community Origin;

**“raw materials”** means copra and other oilseeds, and unrefined oils qualifying as being of Community Origin;

**“substitute”** means commodities listed in Appendix II to this Schedule which are put to similar use as, and are in commercial competition with, oils and fats.

#### **2. Objectives**

- (a) *to support and encourage the viability and expansion and diversification of the Oils and Fats Sub-Sector in the Community;*
- (b) *to promote intra-regional trade in oils and fats and exports to third countries;*
- (c) *to increase competitiveness of the Oils and Fats Sub-Sector;*
- (d) *to improve and promote the production of traditional and non-traditional oilseeds within the Community.*

**PART II**  
**Scope of the Schedule**

3. *The intra-Community reference price of copra and coconut oils shall be determined as a result of consultations and negotiations by a Committee of Buyers and Sellers at the Meeting of representatives of Member States (hereinafter called "the Conference on Oils and Fats"). The resultant prices would be presented by the Committee of Buyers and Sellers to the Conference on Oils and Fats for acceptance and notification to COTED.*
4. *COTED, on the recommendation of the Conference on Oils and Fats, shall endorse the intra-Community reference price for the ensuing year in respect of:*
  - (a) *copra, which shall be expressed as an f.o.b. price in buyers' containers;*
  - (b) *unrefined coconut oil, which shall be expressed as an f.o.b. price in buyers' containers.*
5. (1) *The Committee of Buyers and Sellers shall undertake consultations and negotiations to determine -*
  - (a) *the quantities of copra and coconut oil to be purchased and sold by respective buyers and sellers present at the Meeting of the Conference on Oils and Fats;*
  - (b) *the period and other particulars under which the transactions at (a) shall be made;*
- (2) *The determination of the Committee of Buyers and Sellers with respect to (a) and (b) shall be presented to the Conference on Oils and Fats for acceptance;*
- (3) *The Conference on Oils and Fats shall notify COTED of the quantities of copra and coconut oil to be traded, the period over which the trade shall be undertaken and other relevant particulars relating to purchase and sale of coconut oil in the Community;*
- (4) *In the determination of the quantities of coconut oil to be supplied by the sellers, the Committee of Buyers and Sellers shall give consideration to information on the availability of copra and coconut oil from the less developed countries.*
4. *COTED shall, as necessary, determine the conditions for intra-regional trade in oils and fats, other than coconut oil.*
5. *COTED shall, as necessary, determine the conditions for the importation and exportation of substitutes.*
6. *Importation of ancillaries shall be free from restriction.*

**PART III**  
**Implementation of the Schedule**

9. (1) *Member States shall, not later than 31 January in every year, submit to the Secretary-General in such form as COTED may, from time to time prescribe, its estimates of production, domestic consumption requirements, exports and imports in respect of such oils and fats and substitutes as may be determined by COTED.*
- (2) *Member States shall provide the Secretary-General, upon request, with such other information as may be required in order to monitor the operation of this Schedule.*
10. *The Secretary-General, on the basis of information supplied by Member States, shall keep the Member States informed of production and supply capabilities.*
11. *The Meeting of the Conference on Oils and Fats shall be convened by the Secretary-General at least once per year.*

12. *The Secretary-General shall, at the request of a Member State, and with the concurrence of the majority of the Member States, convene a Special Meeting of the Conference on Oils and Fats.*
13.
  - (1) *The Conference on Oils and Fats shall consist of one delegate (with such advisers as may be considered necessary) to be nominated by each Member State.*
  - (2) *Private sector and other organisations, including the farming community, shall be invited to participate as observers at Meetings of the Conference on Oils and Fats.*
  - (3) *Every Meeting of the Conference on Oils and Fats shall elect its Chairman;*
  - (4) *At every Meeting of the Conference on Oils and Fats, the delegates of six Member States, including two MDCs, shall form a quorum;*
  - (5) *At Meetings of the Conference on Oils and Fats, private sector representatives shall play a more active role in the deliberations through the participation of buyers and sellers. In this regard, the Conference on Oils and Fats shall facilitate the establishment of a Committee of Buyers and Sellers of Copra and Coconut Oil to engage in consultations and negotiations to determine the prices and quantities governing trade in selected oils and fats.*
  - (6) *The Chairman of the Committee of Buyers and Sellers shall submit conclusions to the Conference on Oils and Fats for acceptance.*
  - (7) *Every Meeting of the Conference on Oils and Fats shall be serviced by the Secretariat.*
  - (8) *Recommendations of the Conference on Oils and Fats shall be submitted to COTED for its approval.*
14.
  - (1) *The Conference on Oils and Fats shall -*
    - (a) *review the operation of this Schedule;*
    - (b) *consider any matter relating to this Schedule referred to the Conference on Oils and Fats by any Member State or any Organ or Body of the Community;*
    - (c) *review regional and international developments affecting the Oils and Fats Sub-Sector;*
    - (d) *make recommendations to support and promote the growth and development of the Oils and Fats Sub-Sector.*
  - (2) *Recommendations emanating from 14(c) and (d) shall be submitted to COTED and Ministers with responsibility for Agriculture for consideration and appropriate action.*
15. *Member States shall be responsible for the administration of the provisions of this Schedule within their respective countries and, for that purpose, shall enact the necessary legislative or other measures required to give effect to the provisions of this Schedule.*
16. *Where COTED is satisfied that the action taken by a Member State is not in compliance with the provisions of this Schedule and is likely to prejudice any benefits likely to be derived by another Member State, COTED may recommend measures intended to ameliorate any damage or institute any corrective measures or apply any appropriate sanctions.*
17. *COTED may, by unanimous decision, recommend the amendment of the provisions of this*

*Schedule or the substitution of a new Schedule therefor.*

**PART IV**  
***Regulation of Inputs in the Community***

18. *The Member States shall apply the rate of duty set by COTED on all imported oils, fats and their substitutes.*
19. (1) (a) *In the event of insufficient supply, the Secretary-General acting on behalf of COTED may grant a suspension of the Common External Tariff in accordance with Article 72 of the Treaty.*
- (b) *In determining the adequacy of supply, the Secretary-General shall take into consideration the allocation and provisions which obtain under this Schedule.*
- (2) (a) *The Secretary-General may issue a certificate under the Safeguard Mechanism of the Rules of Origin in accordance with Article 73 of the Treaty, in the event of insufficient supply of inputs used in the manufacture of oils and fats products.*
- (b) *In determining the adequacy of supply, the Secretary-General shall take into consideration the guidelines established by the Conference of Oils and Fats and COTED.*
20. *The Member States may use automatic licences to monitor imports of oils and fats especially where other methods prove inadequate.*
21. *No Member State shall use non-automatic licences to regulate or restrict the imports of oils and fats except under paragraph 22.*
22. (1) *If any Member State considers that-*
- (a) *its oils and fats processing industry is being injured as a result of a substantial decrease (10 per cent for LDCs and 25 per cent for MDCs) 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 Member State shall take remedial measures in accordance with Chapter V of this Treaty;*

- (2) *Where in the Community, especially in any of the LDC Member States, a difficulty arises from the importation of oils, fats or their substitutes from third countries, the affected Member State shall, notwithstanding the provisions identified at paragraph 18, 19 and 21, use non-automatic licences and quantitative restrictions in accordance with its international obligations.*

## **ANCILLARIES**

*Aluminum Sulphate*

*Animal Grease*

*Animal Tallow*

*Anti-Spattering Agents*

*Anti-Oxidants*

*Antiseptics*

*Bacteriacides and Disinfectants*

*Bleaching Aids and Materials*

*Calcium Chloride*

*Calcium Michel*

*Caustic Potash*

*Caustic Soda*

*Colouring Matter and Dyes*

*Citric Acid*

*Emulsifiers*

*Fatty Acids*

*Mineral Salts*

*Oleo Stearines*

*Organic Acids*

*Phosphate and Zinc Oxide*

*Preservative*

*Resin*

*Silicate of Soda*

*Ferric Chloride*

*Filter Aids and Materials*

*Flavours and Flavouring Materials*

*Flourescers*

*Hexane*

*Hydrochloric Acid Hydrogenated Fats*

*Hydrogenated Oils*

*Cotton Seed, Bleaching Earth*

*Soyabean, Palm Kernel, Groundnut*

*Palm, Whale, Fish or other Oils of a similar kind*

*Castor Oil*

*Lanolin*

*Milk Powders and Cultures*

*Mineral Acids*

*Soap Perfumes*

*Soda Carbonate*

*Sodium Hydrosulphate*

*Sodium Sulphate*

*Sulphuric Acid*

*Titanium Dioxide*

*Vitamin Concentrates*

*Water Softeners*

*Salt*

## **SUBSTITUTES**

*Oilseeds which do not qualify as being of Community Origin under the provisions of Article 84.*

*Vegetable oils refined or unrefined, derived from materials in the above category.*

*Edible tallow or edible stearines.*

*Soaps including all soaps in block, bar, tablet or powdered form not produced within the Community.*

*Margarine and shortening which do not qualify as being of Common Market Origin under the provisions of Article 84.*

*Compound Lard.*

*Pure Lard.*

## **SCHEDULE IV**

### **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 this Chapter, any quantitative restriction within the meaning of Article 87 thereof may, during any period for which the Government of Guyana is a party to any protective agreement in that behalf relating to petroleum product produced in Guyana, be applied on imports into Guyana of that petroleum product from any other part of the Community.*

*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 productible in Guyana during such year,*

*whichever is more.*

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 CARICOM Single Market and Economy enters into force, be applicable to any permitted imports into Guyana of that petroleum product from outside the Community.*

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 COTED 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 COTED in strictest confidence of the reasons for arriving at any 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 this Schedule.*

## **SCHEDULE V**

## **GOVERNMENT ASSISTANCE**

- (a) *The provision by governments of direct subsidies to a firm or an industry contingent upon export performance.*
- (b) *Currency retention schemes or any similar practices which involve a bonus on exports.*
- (c) *Internal transport and freight charges on export shipments, provided or mandated by governments, on terms more favourable than for domestic shipments.*
- (d) *The Provision by governments or their agencies either directly or indirectly through government-mandated schemes, of imported or domestic products or services for use in the production of exported goods, on terms or conditions more favourable than for provision of like or directly competitive products or services for use in the production of goods for domestic consumption, if (in the case of products) such terms or conditions are more favourable than those commercially available on world markets to their exporters.*
- (e) *The full or partial exemption remission, or deferral specifically related to exports, of direct taxes or social welfare charges paid or payable by industrial or commercial enterprises.*
- (f) *The allowance of special deductions directly related to exports or export performance, over and above those granted in respect to production for domestic consumption, in the calculation of the base on which direct taxes are charged.*
- (g) *The exemption or remission, in respect of the production and distribution of exported products, of indirect taxes in excess of those levied in respect of the production and distribution of like products when sold for domestic consumption.*
- (h) *The exemption, remission or deferral of prior-stage cumulative indirect taxes on goods or services used in the production of exported products in excess of the exemption, remission or deferral of like prior-stage cumulative indirect taxes on goods or services used in the production of like products when sold for domestic consumption, provided, however, that prior-stage cumulative indirect taxes may be exempted, remitted or deferred on exported products even when not exempted, remitted or deferred on like products when sold for domestic consumption in the production of the exported product (making normal allowance for waste).*
- (i) *The remission or drawback of import charges in excess of those levied on imported inputs that are consumed in the production of the exported product (making normal allowance for waste); provided, however, that in particular cases a firm may use a quantity of home market inputs equal to, and having the same quality and characteristics as, the imported inputs as a substitute for them in order to benefit from the provision if the import and the corresponding export operations both occur within a reasonable time period, not to exceed two years.*
- (j) *The provision by governments (or special institutions controlled by governments) of export credit guarantee or insurance programmes, of insurance or guarantee programmes against increases in the cost of exported products or of exchange risk programmes, at premium rates which are inadequate to cover the long-term operating costs and losses of the programmes.*
- (k) *The grant by governments (or special institutions controlled by and/or acting under the authority of governments) of export credits at rates below those which they actually have to pay for the funds so employed (or would have to pay if they borrowed on international capital markets in order to obtain funds of the same maturity and other credit terms and denominated in the same currency as the export credit), or the payment by them of all or part of the costs incurred by exporters or*

*financial institutions in obtaining credits, in so far as they are used to secure a materials advantage in the field of export credit terms,*

*provided, however, that if a Member is a party to an international undertaking on official export credits to which at least twelve original members to this Agreement are parties as of 1 January 1979 (or a successor undertaking which has been adopted by those original member), or if in practice a member applies the interest rates provisions of the relevant undertaking an export credit practice which is in conformity with those provisions shall not be considered an export subsidy prohibited by this Agreement.*

- (I) *Any other charge on the public account constituting an export subsidy in the sense of Article XVI of GATT 1994*

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***REVISED TREATY OF CHAGUARAMAS  
ESTABLISHING  
THE CARIBBEAN COMMUNITY  
INCLUDING THE CARICOM  
SINGLE MARKET AND ECONOMY***