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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	19 October 2018
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2018) 691 final - ANNEX 9
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Delegations will find attached document COM(2018) 691 final - ANNEX 9.

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EUROPEAN
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Brussels, 17.10.2018
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ANNEX 9

ANNEX

to the

Proposal for a Council Decision

on the conclusion of the Free Trade Agreement between the European Union and the Socialist Republic of Viet Nam

PROTOCOL 1

CONCERNING THE DEFINITION OF THE CONCEPT OF "ORIGINATING PRODUCTS" AND METHODS OF ADMINISTRATIVE COOPERATION

SECTION A

GENERAL PROVISIONS

ARTICLE 1

Definitions

For the purposes of this Protocol:

(a) "Chapter", "heading" and "subheading" mean the Chapter, the heading (four-digit code) and the subheading (six-digit code) used in the nomenclature which constitutes the HS;

(b) "classified" refers to the classification of a product or material under a particular Chapter, heading, or subheading of the Harmonized System;

(c) "consignment" means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;

(d) "customs value" means the value as determined in accordance with the Customs Valuation Agreement;

(e) "exporter" means a person, located in the exporting Party, that is exporting the goods to the other Party and is able to prove the origin of the exported goods, whether or not that person is the manufacturer or carries out the export formalities;

(f) "ex-works price" means the price paid for the product ex-works to the manufacturer in whose undertaking the last working or processing is carried out, provided that the price includes the value of all the materials used and all other costs related to its production, excluding any internal taxes which are, or may be, repaid when the product obtained is exported;

where the actual price paid does not reflect all costs related to the manufacturing of the product which are actually incurred in the Union or in Viet Nam, the ex-works price means the sum of all those costs, excluding any internal taxes which are, or may be, repaid when the product obtained is exported;

where the last working or processing has been subcontracted to a manufacturer, the term "manufacturer" referred to in the first paragraph may refer to the enterprise that has employed the subcontractor;

(g) "fungible materials" means materials that are of the same kind and commercial quality, with the same technical and physical characteristics, and which cannot be distinguished from one another once they are incorporated into the finished product;

(h) "goods" means both materials and products;

(i) "manufacture" means any kind of working or processing, manufacturing, producing, processing or assembling of goods;

(j) "material" means, *inter alia*, any ingredient, raw material, component or part used in the manufacture of a product;

(k) "non-originating goods" or "non-originating materials" means goods or materials that do not qualify as originating in accordance with this Protocol;

(l) "originating goods" or "originating materials" means goods or materials that qualify as originating in accordance with the provisions of this Protocol;

(m) "product" means a product being manufactured, even if it is intended for later use in another manufacturing operation;

(n) "territories" includes territorial sea;

(o) "value of materials" means the customs value at the time of importation of the non-originating materials used or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in the Union or in Viet Nam.

SECTION B

DEFINITION OF THE CONCEPT OF "ORIGINATING PRODUCTS"

ARTICLE 2

General Requirements

For the purpose of implementing this Agreement, the following products shall be considered as originating in a Party:

(a) products wholly obtained in a Party within the meaning of Article 4 (Wholly Obtained Products);

(b) products obtained in a Party incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in the Party concerned within the meaning of Article 5 (Sufficiently Worked or Processed Products).

ARTICLE 3

Cumulation of Origin

1. Notwithstanding Article 2 (General Requirements), products shall be considered as originating in the exporting Party if such products are obtained there by incorporating materials originating in the other Party, provided that the working or processing carried out in the exporting Party goes beyond the operations referred to in Article 6 (Insufficient Working or Processing).

2. Materials listed in Annex III to this Protocol (Materials Referred to in Paragraph 2 of Article 3) originating in an ASEAN country which applies with the Union a preferential trade agreement in accordance with Article XXIV of GATT 1994, shall be considered as materials originating in Viet Nam when further processed or incorporated into one of the products listed in Annex IV to this Protocol (Products Referred to in Paragraph 2 of Article 3).

3. For the purpose of paragraph 2, the origin of the materials shall be determined according to the rules of origin applicable in the framework of the Union's preferential trade agreements with those ASEAN countries.

4. For the purpose of paragraph 2, the originating status of materials exported from an ASEAN country to Viet Nam to be used in further working or processing shall be established by a proof of origin as if those materials were exported directly to the Union.

5. The cumulation provided for in paragraphs 2 to 4 applies if:

(a) the ASEAN countries involved in the acquisition of the originating status have undertaken to:

(i) comply or ensure compliance with this Protocol; and

(ii) provide the administrative cooperation necessary to ensure the correct implementation of this Protocol both with regard to the Union and among themselves;

(b) the undertakings referred to in subparagraph (a) have been notified to the Union; and

(c) the tariff duty the Union applies to the products listed in Annex IV to this Protocol (Products Referred to in Paragraph 2 of Article 3) obtained in Viet Nam by use of such cumulation is higher than or the same as the duty the Union applies to the same product originating in the ASEAN country involved in the cumulation.

6. Proofs of origin issued by application of paragraph 2 shall bear the following entry: "Application of Article 3 (2) of Protocol 1 to the Viet Nam - EU FTA".

7. Fabrics originating in the Republic of Korea shall be considered as originating in Viet Nam when further processed or incorporated into one of the products listed in Annex V (Products Referred to in Paragraph 7 of Article 3) to this Protocol obtained in Viet Nam, provided that they have undergone working or processing in Viet Nam which goes beyond the operations referred to in Article 6 (Insufficient Working and Processing).

8. For the purpose of paragraph 7, the origin of the fabrics shall be determined in accordance with to the rules of origin applicable in the framework of the Union's preferential trade agreement with the Republic of Korea except for the rules set out in Annex II(a) to Protocol 1 of that preferential trade agreement.

9. For the purpose of paragraph 7, the originating status of the fabrics exported from the Republic of Korea to Viet Nam to be used in further working or processing shall be established by a proof of origin as if those fabrics were exported directly from the Republic of Korea to the Union.

10. The cumulation provided for in paragraphs 7 to 9 applies if:

(a) the Republic of Korea applies with the Union a preferential trade agreement in accordance with Article XXIV of GATT 1994;

(b) the Republic of Korea and Viet Nam have undertaken and notified to the Union their undertaking to:

(i) comply or ensure compliance with the cumulation provided for by this Article; and

(ii) provide the administrative cooperation necessary to ensure the correct implementation of this Protocol both with regard to the Union and between themselves.

11. Proofs of origin issued by Viet Nam by application of paragraph 7 shall bear the following entry: "Application of Article 3(7) of Protocol 1 to the Viet Nam - EU FTA".

12. On request of a Party, the Committee on Customs established pursuant to Article 17.2 (Specialised Committees), may decide that fabrics originating in a country with which both the Union and Viet Nam apply a preferential trade agreement in accordance with Article XXIV of GATT 1994 shall be considered as originating in a Party when further processed or incorporated into one of the products listed in Annex V to this Protocol obtained in that Party, provided that they have undergone working or processing in that Party which goes beyond the operations referred to in Article 6 (Insufficient Working or Processing).

13. When taking the decision on the request for cumulation and its modalities referred to in paragraph 12, the Committee on Customs shall take into account the interests of the other Party and the objectives of this Agreement.

ARTICLE 4

Wholly Obtained Products

1. The following shall be considered as wholly obtained in a Party:

(a) mineral products extracted from their soil or from their seabed;

(b) plants and vegetable products grown and harvested or gathered there;

(c) live animals born and raised there;

(d) products from live animals raised there;

(e) products from slaughtered animals born and raised there;

(f) products obtained by hunting or fishing conducted there;

(g) products of aquaculture, where the fish, crustaceans and molluscs are born or raised there from eggs, fry, fingerlings and larvae;

(h) products of sea fishing and other products taken from outside any territorial sea by its vessels;

(i) products made aboard its factory ships exclusively from products referred to in subparagraph (h);

(j) used articles collected there which are only fit for the recovery of raw materials;

(k) waste and scrap resulting from manufacturing operations conducted there;

(l) products extracted from the seabed or below the seabed which is situated outside any territorial sea but where it has exclusive exploitation rights;

(m) goods produced there exclusively from the products specified in subparagraphs (a) to (l).

2. The terms "its vessels" and "its factory ships" in subparagraphs 1(h) and 1(i) apply only to vessels and factory ships which:

(a) are registered in a Member State of the Union or in Viet Nam;

(b) flies the flag of a Member State of the Union or of Viet Nam; and

(c) meet one of the following conditions:

(i) they are at least 50 percent owned by natural persons of a Party; or

(ii) they are owned by legal persons which:

(A) have their head office and their main place of business in the Union or Viet Nam; and

(B) are at least 50 percent owned by a Member State of the Union or by Viet Nam or by public entities or nationals of a Party.

ARTICLE 5

Sufficiently Worked or Processed Products

1. For the purpose of subparagraph (b) of Article 2 (General Requirements), products which are not wholly obtained are considered to be sufficiently worked or processed when the conditions set out in Annex II to this Protocol are fulfilled.

2. The conditions referred to in paragraph 1 indicate, for all products covered by this Agreement, the working or processing which must be carried out on non-originating materials used in manufacturing and apply only in relation to such materials.

If a product which has acquired originating status by fulfilling the conditions set out in the list is used in the manufacture of another product, the conditions applicable to the product in which it is incorporated do not apply to it, and no account shall be taken of the non-originating materials which may have been used in its manufacture.

3. By way of derogation from paragraph 1 and subject to paragraphs 4 and 5, non-originating materials which, in accordance with the conditions set out in Annex II to this Protocol, are not to be used in the manufacture of a given product, may nevertheless be used, provided that their total value or net weight assessed for the product does not exceed:

(a) 10 percent of the weight of the product or ex-works price for products of Chapters 2 and 4 to 24 of the HS, other than processed fishery products referred to in Chapter 16 of the HS; or

(b) 10 percent of the ex-works price of the product for other products, except for products of Chapters 50 to 63 of the HS, for which the tolerances mentioned in Notes 6 and 7 of Annex I to this Protocol apply.

4. Paragraph 3 shall not allow exceeding any of the percentages for the maximum value or weight of non-originating materials as specified in Annex II to this Protocol.

5. Paragraphs 3 and 4 do not apply to products wholly obtained in a Party within the meaning of Article 4. Without prejudice to Article 6 (Insufficient Working or Processing) and paragraph 2 of Article 7 (Unit of Qualification), the tolerance provided for in paragraphs 3 and 4 applies to the sum of all the materials which are used in the manufacture of a product for which Annex II to this Protocol requires that such materials be wholly obtained.

ARTICLE 6

Insufficient Working or Processing

1. The following operations shall be considered as insufficient working or processing to confer the status of originating products, whether or not the requirements of Article 5 (Sufficiently Worked or Processed Products) are satisfied:

(a) preserving operations to ensure that the products remain in good condition during transport and storage;

(b) breaking-up and assembly of packages;

(c) washing, cleaning, removal of dust, oxide, oil, paint or other coverings;

(d) ironing or pressing of textiles and textile articles;

(e) simple painting and polishing operations;

(f) husking and partial or total milling of rice; polishing and glazing of cereals and rice;

(g) operations to colour or flavour sugar or form sugar lumps; partial or total milling of crystal sugar;

(h) peeling, stoning and shelling of fruits, nuts and vegetables;

(i) sharpening, simple grinding or simple cutting;

(j) sifting, screening, sorting, classifying, grading, or matching (including the making-up of sets of articles);

(k) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

(l) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;

(m) simple mixing of products, whether or not of different kinds; mixing of sugar with any material;

(n) simple addition of water, dilution, dehydration or denaturation of products;

(o) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;

(p) a combination of two or more of the operations specified in points (a) to (o); or

(q) slaughter of animals.

2. For the purpose of paragraph 1, operations shall be considered simple when for their performance neither special skills are required nor machines, apparatus or tools especially produced or installed for those operations.

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

ARTICLE 7

Unit of Qualification

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

2. When a consignment consists of a number of identical products classified under the same subheading of the HS, each individual item shall be taken into account when applying this Protocol.

3. Where, under General Rule 5 of the HS, packaging is included in the product for classification purposes, it shall be included for the purposes of determining origin.

ARTICLE 8

Accessories, Spare Parts and Tools

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

ARTICLE 9

Sets

Sets, as defined in General Rule 3 of the HS, shall be regarded as originating when all component products are originating products. When a set is composed of originating and non-originating products, the set as a whole shall be regarded as originating, provided that the value of the non-originating products does not exceed 15 percent of the ex-works price of the set.

ARTICLE 10

Neutral Elements

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

(a) energy and fuel;

(b) production plants and equipment, including goods to be used for their maintenance;

(c) machines, tools, dies and moulds; spare parts and materials used in the maintenance of equipment and buildings; lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings; gloves, glasses, footwear, clothing, safety equipment and supplies; catalysts and solvents; equipment, devices and supplies used for testing or inspecting the product; and

(d) other goods which do not enter and which are not intended to enter into the final composition of the product.

ARTICLE 11

Accounting Segregation

1. If originating and non-originating fungible materials are used in the working or processing of a product, the competent authorities may, at the written request of economic operators, authorise the management of materials using the accounting segregation method without keeping the materials in separate stocks.

2. The competent authorities may make the granting of authorisation referred to in paragraph 1 subject to any conditions they deem appropriate.

3. The authorisation shall be granted only if by use of the accounting segregation method it can be ensured that, at any time, the number of products obtained which could be considered as originating in the Union or in Viet Nam is the same as the number that would have been obtained by using a method of physical segregation of the stocks.

4. If authorised, the accounting segregation method and its application shall be recorded on the basis of the general accounting principles applicable in the Union or in Viet Nam, depending on where the product is manufactured.

5. A manufacturer using the accounting segregation method shall make out or apply for origin declarations for the quantity of products which may be considered as originating in the exporting Party. At the request of the customs authorities or the competent authorities of the exporting Party, the beneficiary shall provide a statement of how the quantities have been managed.

6. The competent authorities shall monitor the use made of the authorisation referred to in paragraph 3 and may withdraw it if the manufacturer makes improper use of it or fails to fulfil any of the other conditions laid down in this Protocol.

SECTION C

TERRITORIAL REQUIREMENTS

ARTICLE 12

Principle of Territoriality

1. The conditions set out in Section B (Definition of the Concept of "Originating Products") relating to the acquisition of originating status shall be fulfilled without interruption in a Party.

2. If originating goods exported from a Party return from a non-Party, they shall be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities that the returning goods:

(a) are the same as those exported; and

(b) have not undergone any operation beyond what is necessary to preserve them in good condition while they were in that non-Party or while being exported.

ARTICLE 13

Non-Alteration

1. The products declared for home use in a Party shall be the same products as exported from the other Party in which they are considered to originate. They shall not have been altered, transformed in any way or subjected to operations other than operations to preserve them in good condition or other than adding or affixing marks, labels, seals or any other documentation to ensure compliance with specific domestic requirements of the importing Party carried out under customs supervision in the country or countries of transit or splitting prior to being declared for home use.

2. Storage of products or consignments may take place provided they remain under customs supervision in the country or countries of transit.

3. Without prejudice to Section D (Proof of Origin), the splitting of consignments may take place where carried out by the exporter or under his responsibility, provided they remain under customs supervision in the country or countries of splitting.

4. In case of doubt, the importing Party may request the declarant to provide evidence of compliance, which may be given by any means, including:

(a) contractual transport documents such as bills of lading;

(b) factual or concrete evidence based on marking or numbering of packages;

(c) any evidence related to the goods themselves;

(d) a certificate of non-manipulation provided by the customs authorities of the country or countries of transit or splitting, or any other documents demonstrating that the goods remained under customs supervision in the country or countries of transit or splitting.

ARTICLE 14

Exhibitions

1. Originating products sent for exhibition in a country other than a Party and sold after the exhibition for importation in a Party shall benefit on importation from the provisions of this Agreement provided it is shown to the satisfaction of the customs authorities that:

(a) an exporter has consigned these products from a Party to the country in which the exhibition is held and has exhibited them there;

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

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

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

2. A proof of origin must be issued or made out in accordance with the provisions of Section D (Proof of Origin) and submitted to the customs authorities of the importing Party in the normal manner. The name and address of the exhibition must be indicated thereon. Where necessary, additional documentary evidence of the conditions under which the products have been exhibited may be required.

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

SECTION D

PROOF OF ORIGIN

ARTICLE 15

General Requirements

1. Products originating in the Union shall, on importation into Viet Nam, benefit from this Agreement upon submission of any of the following proofs of origin:

(a) a certificate of origin made out in accordance with Articles 16 (Procedure for the Issuance of a Certificate of Origin) to 18 (Issuance of a Duplicate Certificate of Origin);

(b) an origin declaration made out in accordance with Article 19 (Conditions for Making out an Origin Declaration) by:

(i) an approved exporter within the meaning of Article 20 (Approved Exporter) for any consignment regardless of its value; or

(ii) any exporter for consignments the total value of which does not exceed 6 000 euros;

(c) a statement of origin made out by exporters registered in an electronic database in accordance with the relevant legislation of the Union after the Union has notified to Viet Nam that such legislation applies to its exporters. Such notification may stipulate that points (a) and (b) shall cease to apply to the Union.

2. Products originating in Viet Nam shall, on importation into the Union, benefit from this Agreement upon submission of any of the following proofs of origin:

(a) a certificate of origin made out in accordance with Articles 16 (Procedure for the Issuance of a Certificate of Origin) to 18 (Issuance of a Duplicate Certificate of Origin);

(b) an origin declaration made out in accordance with Article 19 (Conditions for Making out an Origin Declaration) by any exporter for consignments the total value of which is to be determined in the national legislation of Viet Nam and shall not exceed 6 000 euros;

(c) an origin declaration made out in accordance with Article 19 (Conditions for Making out an Origin Declaration) by an exporter approved or registered in accordance with the relevant legislation of Viet Nam after Viet Nam has notified to the Union that such legislation applies to its exporters. Such notification may stipulate that point (a) shall cease to apply to Viet Nam.

3. Originating products within the meaning of this Protocol shall, in the cases specified in Article 24 (Exemptions from Proof of Origin), benefit from this Agreement without requiring the submission of any of the documents referred to in this Article.

ARTICLE 16

Procedure for the Issuance of a Certificate of Origin

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

2. For this purpose, the exporter or his authorised representative shall fill out both the certificate of origin, specimen of which appears in Annex VII to this Protocol, and the application form. The specimen of the application form to be used for exports from the Union to Viet Nam appears in Annex VII to this Protocol; the specimen of the application form to be used for exports from Viet Nam to the Union shall be determined in the domestic legislation of Viet Nam. These forms shall be completed in one of the languages in which this Agreement is drawn up and in accordance with the domestic law of the exporting Party. If they are hand-written, they shall be completed in ink in printed characters. The description of the products must be given in the box reserved for this purpose without leaving any blank lines. Where the box is not completely filled, a horizontal line must be drawn below the last line of the description, the empty space being crossed through to prevent any subsequent addition.

3. The exporter applying for the issuance of a certificate of origin shall be prepared to submit at any time, at the request of the competent authorities of the exporting Party, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Protocol.

4. A certificate of origin shall be issued by the competent authorities of the exporting Party if the products concerned can be considered as products originating in the Union or in Viet Nam and fulfil the other requirements of this Protocol.

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

6. The date of issuance of the certificate of origin shall be indicated in Box 11 of the certificate.

7. The certificate of origin shall be issued as soon as possible to but not later than three working days after the date of exportation (the declared shipment date).

ARTICLE 17

Certificates of Origin Issued Retrospectively

1. Notwithstanding paragraph 7 of Article 16 (Procedure for the Issuance of a Certificate of Origin), a certificate of origin may also be issued after exportation of the products to which it relates in specific situations where:

(a) it was not issued at the time of exportation because of errors, involuntary omissions or other valid reasons;

(b) it is demonstrated to the competent authorities that a certificate of origin was issued but was not accepted at importation for technical reasons; or

(c) the final destination of the products concerned was not known at the time of exportation and was determined during their transportation, storage or after splitting of consignments in accordance with Article 13 (Non-Alteration).

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

3. The competent authorities may issue a certificate of origin retrospectively only after verifying that the information supplied in the exporter's application conforms with that in the corresponding file.

4. Certificates of origin issued retrospectively shall be endorsed with the following phrase in English: "ISSUED RETROSPECTIVELY".

5. The endorsement referred to in paragraph 4 shall be inserted in Box 7 of the certificate of origin.

ARTICLE 18

Issue of a Duplicate Certificate of Origin

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

2. The duplicate issued in this way must be endorsed with the following word in English: "DUPLICATE".

3. The endorsement referred to in paragraph 2 shall be inserted in Box 7 of the duplicate certificate of origin.

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

ARTICLE 19

Conditions for Making out an Origin Declaration

1. An origin declaration may be made out if the products concerned can be considered as products originating in the Union or in Viet Nam and fulfil the other requirements of this Protocol.

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

3. An origin declaration shall be made out by the exporter on the invoice, the delivery note or any other commercial documents which describe the products concerned in sufficient details to enable them to be identified, by typing, stamping or printing on that document the declaration, the text of which appears in Annex VI to this Protocol, using one of the linguistic versions set out in that Annex and in accordance with the provisions of the domestic law of the exporting Party. If the declaration is hand-written, it shall be written in ink in capital characters.

4. Origin declarations shall bear the original signature of the exporter in manuscript. However, an approved exporter within the meaning of Article 20 (Approved Exporter) shall not be required to sign such declarations provided that he gives the competent authorities of the exporting Party a written undertaking that he accepts full responsibility for any origin declaration which identifies him as if it had been signed in manuscript by him.

5. An origin declaration may be made out after exportation provided that it is presented in the importing Party no later than two years, or the period specified in the legislation of the importing Party, after the entry of the goods into the territory.

6. The conditions for making out an origin declaration referred to in paragraphs 1 to 5 apply *mutatis mutandis* to statements of origin made out by an exporter registered as provided for in subparagraphs 1(c) and 2(c) of Article 15 (General Requirements).

ARTICLE 20

Approved Exporter

1. The competent authorities of the exporting Party may authorise any exporter (hereinafter referred to as "approved exporter") who exports products under this Agreement to make out origin declarations irrespective of the value of the products concerned. An exporter seeking such authorisation shall offer to the satisfaction of the competent authorities all guarantees necessary to verify the originating status of the products as well as the fulfilment of the other requirements of this Protocol.

2. The competent authorities may grant the status of approved exporter subject to any conditions specified in domestic legislation which they consider appropriate.

3. The competent authorities shall grant to the approved exporter an authorisation number which shall appear on the origin declaration.

4. The competent authorities shall monitor the use of the authorisation by the approved exporter.

5. The competent authorities may withdraw the authorisation at any time. They shall do so when the approved exporter no longer offers the guarantees referred to in paragraph1, no longer fulfils the conditions referred to in paragraph 2 or otherwise makes an incorrect use of the authorisation.

ARTICLE 21

Validity of Proof of Origin

1. A proof of origin shall be valid for 12 months from the date of issuance in the exporting Party, and shall be submitted to the customs authorities of the importing Party within that period.

2. Proofs of origin which are submitted to the customs authorities of the importing Party after the period of validity referred to in paragraph 1 may be accepted for the purpose of applying preferential tariff treatment, when the importer failed to submit those documents by the final date of the period of validity due to *force majeure* or other valid reasons beyond that person's control.

3. In other cases of belated presentation, the customs authorities of the importing Party may accept the proofs of origin when the products have been imported within the period of validity referred to in paragraph 1.

ARTICLE 22

Submission of Proof of Origin

For the purpose of claiming preferential tariff treatment, proofs of origin shall be submitted to the customs authorities of the importing Party in accordance with the procedures applicable in that Party. Those authorities may request a translation of the proof of origin if it is not issued in English.

ARTICLE 23

Importation by Instalments

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

ARTICLE 24

Exemptions from Proof of Origin

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

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

3. Furthermore, the total value of the products referred to in paragraphs 1 and 2 shall not exceed:

(a) when entering the Union, 500 euros in the case of small packages or 1 200 euros in the case of products forming part of travellers' personal luggage;

(b) when entering Viet Nam, 200 US dollars both, in the case of small packages and in the case of products forming part of travellers' personal luggage.

ARTICLE 25

Supporting Documents

The documents referred to in paragraph 3 of Article 16 (Procedure for the Issuance of a Certificate of Origin) and paragraph 2 of Article 19 (Conditions for Making out an Origin Declaration), used for the purpose of proving that products covered by an origin declaration or a certificate of origin can be considered as products originating in the Union or in Viet Nam and fulfil the other requirements of this Protocol, may consist, *inter alia*, of the following:

(a) direct evidence of the manufacturing or other processes carried out by the exporter or supplier to obtain the goods concerned, contained for example in his accounts or internal book-keeping;

(b) documents proving the originating status of materials used, issued or made out in a Party, where those documents are used in accordance with domestic law;

(c) documents proving the working or processing of materials in a Party, issued or made out in a Party, where those documents are used in accordance with domestic law; or

(d) proof of origin proving the originating status of materials used, issued or made out in a Party in accordance with this Protocol.

ARTICLE 26

Preservation of Proof of Origin and Supporting Documents

1. The exporter making out an origin declaration or applying for the issuance of a certificate of origin shall keep for at least three years a copy of this origin declaration or of the certificate of origin as well as of the documents referred to in paragraph 3 of Article 16 (Procedure for the Issuance of a Certificate of Origin) and paragraph 2 of Article 19 (Conditions for Making out an Origin Declaration).

2. The competent authorities of the exporting Party issuing a certificate of origin shall keep for at least three years the application form referred to in in paragraph 2 of Article 16 (Procedure for the Issuance of a Certificate of Origin).

3. The customs authorities of the importing Party shall keep for at least three years the proofs of origin submitted to them.

4. Each Party shall permit, in accordance with that Party's laws and regulations, exporters in its territory to maintain documentation or records in any form or medium, provided that the documentation or records can be retrieved and printed.

ARTICLE 27

Discrepancies and Formal Errors

1. The discovery of slight discrepancies between the statements made in the proof of origin and those made in the documents submitted to the customs office for the purpose of carrying out the formalities for importing the products shall not *ipso facto* render the proof of origin null and void if it is duly established that this document corresponds to the products submitted.

2. Obvious formal errors such as typing errors on a proof of origin shall not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.

3. For multiple goods declared under the same proof of origin, a problem encountered with one of the goods listed shall not affect or delay the granting of preferential tariff treatment and customs clearance of the remaining goods listed in the proof of origin.

ARTICLE 28

Amounts Expressed in Euro

1. For the application of subparagraph 1(b)(ii) of Article 15 (General Requirements) and subparagraph 3(a) of Article 24 (Exemptions from Proof of Origin) in cases where products are invoiced in a currency other than euro, amounts in the national currencies of the Member States of the Union or of Viet Nam equivalent to the amounts expressed in euro shall be fixed annually by each Party.

2. A consignment shall benefit from subparagraph 1(b)(ii) of Article 15 (General Requirements) and subparagraph 3(a) of Article 24 (Exemptions from Proof of Origin) by reference to the currency in which the invoice is drawn up, according to the amount fixed by the Party concerned.

3. The amounts to be used in any given national currency shall be the equivalent in that currency of the amounts expressed in euro as at the first working day of October. The amounts shall be communicated to the European Commission by 15 October and shall apply from 1 January of the following year. The European Commission shall notify all countries concerned of the relevant amounts.

4. A Party may round up or down the amount resulting from the conversion into its national currency of an amount expressed in euro. The rounded-off amount may not differ from the amount resulting from the conversion by more than 5 percent. A Party may retain unchanged its national currency equivalent of an amount expressed in euro if, at the time of the annual adjustment provided for in paragraph 3, the conversion of that amount, prior to any rounding-off, results in an increase of less than 15 percent in the national currency equivalent. The national currency equivalent may be retained unchanged if the conversion would result in a decrease in that equivalent value.

5. The amounts expressed in euro shall be reviewed by the Committee on Customs at the request of the Union or of Viet Nam. When carrying out that review, the Committee on Customs shall consider the desirability of preserving the effects of the limits concerned in real terms. For that purpose, it may decide to modify the amounts expressed in euro.

SECTION E

ARRANGEMENTS FOR ADMINISTRATIVE COOPERATION

ARTICLE 29

Cooperation between Competent Authorities

1. The authorities of the Parties shall provide each other, through the European Commission, with specimen impressions of stamps used in their competent authorities for the issue of certificates of origin and with the addresses of the customs authorities responsible for verifying those certificates and origin declarations.

2. In order to ensure the proper application of this Protocol, the Parties shall assist each other, through their competent authorities, in verifying the authenticity of the certificates of origin or the origin declarations and the correctness of the information given in these documents.

ARTICLE 30

Verification of Proofs of Origin

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

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

3. The verification shall be carried out by the competent authorities of the exporting Party. For that purpose, they shall have the right to request any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate.

4. If the competent authorities of the importing Party decide to suspend the granting of preferential tariff treatment to the products concerned while awaiting the results of the verification, release of the products shall be offered to the importer subject to any precautionary measures deemed necessary. Any suspension of preferential tariff treatment shall be reinstated as soon as possible after the originating status of the products concerned or the fulfilment of the other requirements of this Protocol has been ascertained by the competent authorities of the importing Party.

5. The competent authorities requesting the verification shall be informed of the results of this verification as soon as possible. These results must indicate clearly whether the documents are authentic and whether the products concerned can be considered as products originating in the Parties and fulfil the other requirements of this Protocol.

6. If in cases of reasonable doubt there is no reply within 10 months of the date of the verification request or if the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products, the requesting competent authorities may, except in exceptional circumstances, refuse entitlement to the preferential tariff treatment.

ARTICLE 31

Dispute Settlement

1. Where disputes arise in relation to the verification procedures provided for in Article 30 (Verification of Proofs of Origin) which cannot be settled between the competent authorities requesting a verification and the competent authorities responsible for carrying out this verification, they shall be submitted to the Committee on Customs.

2. Disputes between the importer and the competent authorities of the importing Party, shall be settled in accordance with the legislation of that Party.

ARTICLE 32

Penalties

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

ARTICLE 33

Confidentiality

Each Party shall maintain, in accordance with its law, the confidentiality of information and data collected in the process of verification and shall protect that information and data from disclosure that could prejudice the competitive position of the person providing them. Any information and data communicated between the authorities of the Parties competent for the administration and enforcement of origin determination shall be treated as confidential.

SECTION F

CEUTA AND MELILLA

ARTICLE 34

Application of this Protocol

1. For the purpose of the application of this Protocol, the term "Party" does not cover Ceuta and Melilla.

2. Products originating in Viet Nam, when imported into Ceuta or Melilla, shall enjoy in all respects the same customs treatment under this Agreement as that which is applied to products originating in the customs territory of the Union under Protocol 2 to the *Act concerning the conditions of accession of the Kingdom of Spain and the Portuguese Republic and the adjustments to the Treaties,* signed on 12 June 1985. Viet Nam shall grant to imports of products covered by this Agreement and originating in Ceuta and Melilla the same customs regime as that which is granted to products imported from and originating in the Union.

3. For the purpose of the application of paragraph 2 concerning products originating in Ceuta and Melilla, this Protocol applies *mutatis mutandis* subject to the special conditions set out in Article 35 (Special Conditions).

ARTICLE 35

Special Conditions

1. Provided that the products satisfy the requirements of Article 13 (Non-Alteration), they shall be considered as:

(a) products originating in Ceuta and Melilla:

(i) products wholly obtained in Ceuta and Melilla; or

(ii) products obtained in Ceuta and Melilla, in the manufacture of which products other than those referred to in point (a) are used, provided that:

(A) those products have undergone sufficient working or processing within the meaning of Article 5 (Sufficiently Worked or Processed Products); or

(B) those products are originating in a Party, provided that they have been submitted to working or processing which goes beyond the operations referred to in Article 6 (Insufficient Working or Processing);

(b) products originating in Viet Nam:

(i) products wholly obtained in Viet Nam; or

(ii) products obtained in Viet Nam, in the manufacture of which products other than those referred to in point (a) are used, provided that:

(A) those products have undergone sufficient working or processing within the meaning of Article 5 (Sufficiently Worked or Processed Products); or

(B) those products are originating in Ceuta and Melilla or in the Union, provided that they have been submitted to working or processing which goes beyond the operations referred to in Article 6 (Insufficient Working or Processing).

2. Ceuta and Melilla shall be considered as a single territory.

3. The exporter or his authorised representative shall enter "Viet Nam" and "Ceuta and Melilla" on the proof of origin.

4. The Spanish customs authorities shall be responsible for the application of this Protocol in Ceuta and Melilla.

SECTION G

FINAL PROVISIONS

ARTICLE 36

Committee on Customs

1. The Committee on Customs established pursuant to Article 17.2 (Specialised Committees) may review the provisions of this Protocol and submit a proposal for a decision to be adopted by the Trade Committee to amend it.

2. The Committee on Customs shall endeavour to agree upon the uniform administration of the rules of origin, including tariff classification and valuation matters relating to the rules of origin and technical, interpretive or administrative matters relating to this Protocol.

ARTICLE 37

Coherence of Rules of Origin

Following the conclusion of a free trade agreement between the Union and another ASEAN country, the Committee on Customs may submit a proposal for a decision to be adopted by the Trade Committee to amend this Protocol to ensure coherence between the respective rules of origin.

ARTICLE 38

Transitional Provisions

The preferential tariff treatment under this Agreement may be applied to goods, which comply with this Protocol and which on the date of entry into force of this Agreement, are either in the Parties, in transit, in temporary storage, in customs warehouses or in free zones, subject to the submission of a proof of origin made out retrospectively to the customs authorities of the importing Party, and, if requested, evidence in accordance with Article 13 (Non-Alteration) showing that the goods have not been altered.

ANNEX I to Protocol 1

INTRODUCTORY NOTES TO ANNEX II TO PROTOCOL 1
(LIST OF REQUIRED WORKING OR PROCESSING)

Note 1 – General Introduction

The list in Annex II to Protocol 1 (List of Required Working or Processing) sets out the conditions required for all products to be considered as sufficiently worked or processed within the meaning of Article 5 (Sufficiently Worked or Processed Products). There are four different types of rules, which vary according to the product:

(a) through working or processing a maximum content of non-originating materials is not exceeded;

(b) through working or processing the four-digit HS heading or six-digit HS subheading of the manufactured products becomes different from the four-digit HS heading or six-digit HS subheading, respectively, of the materials used. However, in the case set out in the second paragraph of point 3.3., the four-digit HS heading or six-digit HS subheading of the manufactured products may be the same as the four-digit HS heading or six-digit HS subheading, respectively, of the materials used;

(c) a specific working and processing operation is carried out; or

(d) working or processing is carried out on certain wholly obtained materials.

Note 2 – The Structure of the List of Required Working or Processing

2.1. The first two columns in the list describe the product obtained. The first column gives the heading number or Chapter number used in the HS and the second column gives the description of goods used in that system for that heading or Chapter. For each entry in the first two columns, a rule is specified in column 3. Where, in some cases, the entry in the first column is preceded by an "ex", this signifies that the rules in column 3 apply only to the part of that heading as described in column 2.

2.2. Where several heading numbers are grouped together in column 1 or a Chapter number is given and the description of products in column 2 is therefore given in general terms, the adjacent rules in column 3 apply to all products which, under the HS, are classified in headings of the Chapter or in any of the headings grouped together in column 1.

2.3. Where there are different rules in the list applying to different products within a heading, each indent contains the description of that part of the heading covered by the adjacent rules in column 3.

2.4. Where two alternative rules are set out in column 3 that are separated by use of a different line and linked by an "or", it shall be at the choice of the exporter which one to use.

Note 3 – Examples of how to Apply the Rules

3.1. Article 5 (Sufficiently Worked or Processed Products), concerning products having acquired originating status which are used in the manufacture of other products, applies, regardless of whether that status has been acquired inside the factory where those products are used or in another factory in a Party.

3.2. Pursuant to Article 6 (Insufficient Working or Processing), the working or processing carried out must go beyond the list of operations mentioned in that Article. If it does not, the goods shall not qualify for the granting of the preferential tariff treatment, even if the conditions set out in the list below are met.

Subject to the first paragraph, the rules in the list represent the minimum amount of working or processing required. The carrying-out of more working or processing also confers originating status, without prejudice to Article 6 (Insufficient Working or Processing). Conversely, the carrying-out of less working or processing shall not confer originating status.

3.3. Where a rule uses the expression "Manufacture from materials of any heading, except that of the product" all non-originating materials classified in headings other than that of the product may be used (Change in Tariff Heading).

Where a rule uses the expression "Manufacture from materials of any heading", then materials of any heading(s) (even materials of the same description and heading as the product) may be used.

3.4. Where a rule uses the expression "Manufacture in which the value of all the materials used does not exceed x % of the ex-works price of the product" then the value of all non-originating materials is to be considered and the percentage for the maximum value of non-originating materials may not be exceeded through the use of paragraph 3 of Article 5 (Sufficiently Worked or Processed Products).

3.5 If a rule provides that a specific non-originating material may be used, the use of materials which are still in an earlier stage of the manufacturing process of that specific material is allowed, and the use of materials resulting from further processing of that specific non-originating material is not.

If a rule provides that a specific non-originating material may not be used, the use of materials which are still in an earlier stage of the manufacturing process of that specific non-originating material is allowed, and the use of materials resulting from further processing of that specific non-originating material is not.

Example: when the rule for Chapter 19 requires that "non-originating materials of headings 1101 to 1108 cannot exceed 20 % of the weight", the use of non-originating cereals of Chapter 10 (materials at an earlier stage in the manufacturing process of goods of 1101 to 1108) is not limited by the requirement concerning the 20 % of the weight.

3.6. When a rule specifies that a product may be manufactured from more than one material, one or more materials may be used. It does not require that all materials have to be used.

3.7. Where a rule specifies that a product must be manufactured from a particular material, it does not prevent the use of other materials which, because of their inherent nature, cannot satisfy that requirement.

Example: Flat-rolled products of iron and non-alloy steel, of a width of 600 mm or more, which have been painted, varnished or coated with plastics are classified in the HS under 7210 70. The rule for 7210 is "Manufacture from ingots or other primary forms or semi-finished materials of heading 7206 and 7207". This rule does not prevent the use of non-originating paint and varnish (heading 3208) or plastics (Chapter 39).

Note 4 – General Provisions Concerning certain Agricultural Goods

4.1. Agricultural goods falling within Chapters 6, 7, 8, 9, 10 and 12 and heading 2401 which are grown or harvested in a Party shall be treated as originating in that Party, even if grown from seeds, bulbs, rootstock, cuttings, grafts, shoots, buds, or other live parts of plants imported from a non-Party.

4.2 Whenever the rules for products in Chapters 1 to 24 incorporate some limitations in weight, it should be noted that in accordance with paragraph 2 of Article 5 (Sufficiently Worked or Processed Products), those limitations in weight only apply to non-originating materials. Consequently, originating materials are not to be taken into account for the calculation of the limitations in weight. In addition, those limitations are expressed in different manners. In particular:

(a) When the rule uses the expression "the weight of the materials of Chapters/headings", the weight of each material mentioned shall be added up and the total weight shall not exceed the maximum percentage.

Example: The rule for Chapter 19 provides that the weight of the materials of Chapters 2, 3 and 16 used does not exceed 20 % of the weight of the final product. In case the weight of the final product contains 12 % of materials of Chapter 3 and 10 % of materials of Chapter 16, the product does not meet the origin conferring rule of Chapter 19 as the combined weight exceeds 20 % of the weight of the final product.

(b) When the rule uses the expression "the individual weight of the materials of Chapters/headings" the weight of each material mentioned shall not exceed the maximum percentage. The combined weight of the materials added together has no relevance.

Example: The rule for Chapter 22 provides that the individual weight of sugar and of the materials of Chapter 4 does not exceed 20 % of the weight of the final product. In case the weight of the final product contains 15 % of sugar as well as 10 % of materials of Chapter 4, the origin conferring rule of Chapter 22 is complied with. Each individual material is less than 20 % of the weight of the final product. On the contrary, in case the weight of the final product contains 25 % of sugar and 10 % of materials of Chapter 4, the origin conferring rule is not met.

(c) When the rule uses the expression "the total combined weight of sugar and of the materials of Chapter 4 does not exceed x % of the weight of the final product", both the weight of the sugar and the materials of Chapter 4 shall meet individually their weight limitation, and their combined weights added up shall meet the combined weight limitation. A combined weight limitation expresses a further restriction to the individual weight limitations.

Example: The rule for heading 1704 provides that the combined weight of sugar and of the materials of Chapter 4 does not exceed 50 % of the weight of the final product. The individual weight limitations for materials of Chapter 4 are 20 % and for sugar 40 %. In case the weight of the final product contains 35 % of sugar and 15 % of materials of Chapter 4, both the individual weight limitations and the combined weight limitations of the origin conferring rule of heading 1704 are complied with. On the contrary, in case the weight of the final product contains 35 % of sugar and 20 % of materials of Chapter 4, the combined weight represents 55 % of the weight of the final product. In that case the individual weight limitations are respected but the combined weight limitation is exceeded and therefore the origin conferring rule of heading 1704 is not complied with.

Note 5 - Terminology Used in Respect of certain Textile Products

5.1. The term "natural fibres" is used in the list to refer to fibres other than artificial or synthetic fibres. It is restricted to the stages before spinning takes place, including waste, and, unless otherwise specified, includes fibres which have been carded, combed or otherwise processed, but not spun.

5.2. The term "natural fibres" includes horsehair of heading 0511, silk of headings 5002 and 5003, as well as wool-fibres and fine or coarse animal hair of headings 5101 to 5105, cotton fibres of headings 5201 to 5203, and other vegetable fibres of headings 5301 to 5305.

5.3. The terms "textile pulp", "chemical materials" and "paper-making materials" are used in the list to describe the materials, not classified in Chapters 50 to 63, which can be used to manufacture artificial, synthetic or paper fibres or yarns.

5.4. The term "man-made staple fibres" is used in the list to refer to synthetic or artificial filament tow, staple fibres or waste of headings 5501 to 5507.

Note 6 - Tolerances Applicable to Products Made of a Mixture of Textile Materials

6.1. Where, for a given product in the list, reference is made to this Note, the conditions set out in column 3 shall not be applied to any basic textile materials used in the manufacture of this product and which, taken together, represent 10 % or less of the total weight of all the basic textile materials used. (See also Notes 6.3 and 6.4).

6.2. However, the tolerance mentioned in Note 6.1 may be applied only to mixed products which have been made from two or more basic textile materials.

The following are the basic textile materials:

– silk;

– wool;

– coarse animal hair;

– fine animal hair;

– horsehair;

– cotton;

– paper-making materials and paper;

– flax;

– true hemp;

– jute and other textile bast fibres;

– sisal and other textile fibres of the genus Agave;

– coconut, abaca, ramie and other vegetable textile fibres;

– synthetic man-made filaments;

– artificial man-made filaments;

– current-conducting filaments;

– synthetic man-made staple fibres of polypropylene;

– synthetic man-made staple fibres of polyester;

– synthetic man-made staple fibres of polyamide;

– synthetic man-made staple fibres of polyacrylonitrile;

– synthetic man-made staple fibres of polyimide;

– synthetic man-made staple fibres of polytetrafluoroethylene;

– synthetic man-made staple fibres of poly(phenylene sulphide);

– synthetic man-made staple fibres of poly(vinyl chloride);

– other synthetic man-made staple fibres;

– artificial man-made staple fibres of viscose;

– other artificial man-made staple fibres;

– yarn made of polyurethane segmented with flexible segments of polyether, whether or not gimped;

– yarn made of polyurethane segmented with flexible segments of polyester, whether or not gimped;

– products of heading 5605 (metallised yarn) incorporating strip consisting of a core of aluminium foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of a transparent or coloured adhesive between two layers of plastic film;

– other products of heading 5605;

– glass fibres;

– metal fibres.

Example: A yarn of heading 5205, made from cotton fibres of heading 5203 and synthetic staple fibres of heading 5506, is a mixed yarn. Therefore, non-originating synthetic staple fibres which do not satisfy the origin rules may be used, provided that their total weight does not exceed 10 % of the weight of the yarn.

Example: A woollen fabric of heading 5112, made from woollen yarn of heading 5107 and synthetic yarn of staple fibres of heading 5509, is a mixed fabric. Therefore, synthetic yarn which does not satisfy the origin rules, or woollen yarn which does not satisfy the origin rules, or a combination of the two, may be used, provided that their total weight does not exceed 10 % of the weight of the fabric.

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

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

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

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

Note 7 - Other Tolerances Applicable to certain Textile Products

7.1. Where, in the list, reference is made to this Note, textile materials which do not satisfy the rule set out in the list in column 3 for the made-up product concerned, may be used, provided that they are classified in a heading other than that of the product and that their value does not exceed 8 % of the ex-works price of the product.

7.2. Without prejudice to Note 7.3, materials, which are not classified within Chapters 50 to 63, may be used freely in the manufacture of textile products, whether or not they contain textiles.

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

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

Note 8 - Definition of Specific Processes and Simple Operations Carried out in Respect of certain Products of Chapter 27

8.1. For the purposes of headings ex 2707 and 2713, the "specific processes" are the following:

(a) vacuum-distillation;

(b) redistillation by a very thorough fractionation process;

(c) cracking;

(d) reforming;

(e) extraction by means of selective solvents;

(f) the process comprising all of the following operations: processing with concentrated sulphuric acid, oleum or sulphuric anhydride; neutralisation with alkaline agents; decolourisation and purification with naturally active earth, activated earth, activated charcoal or bauxite;

(g) polymerisation;

(h) alkylation; and

(i) isomerisation.

8.2. For the purposes of headings 2710, 2711 and 2712, the "specific processes" are the following:

(a) vacuum-distillation;

(b) redistillation by a very thorough fractionation process;

(c) cracking;

(d) reforming;

(e) extraction by means of selective solvents;

(f) the process comprising all of the following operations: processing with concentrated sulphuric acid, oleum or sulphuric anhydride; neutralisation with alkaline agents; decolourisation and purification with naturally active earth, activated earth, activated charcoal or bauxite;

(g) polymerisation;

(h) alkylation;

(i) isomerisation;

(j) in respect of heavy oils of heading ex 2710 only, desulphurisation with hydrogen, resulting in a reduction of at least 85 % of the sulphur content of the products processed (ASTM D 1266-59 T method);

(k) in respect of products of heading 2710 only, deparaffining by a process other than filtering;

(l) in respect of heavy oils of heading ex 2710 only, treatment with hydrogen, at a pressure of more than 20 bar and a temperature of more than 250 °C, with the use of a catalyst, other than to effect desulphurisation, when the hydrogen constitutes an active element in a chemical reaction. The further treatment, with hydrogen, of lubricating oils of heading ex 2710 (e.g. hydrofinishing or decolourisation), in order, more especially, to improve colour or stability shall not, however, be deemed to be a specific process;

(m) in respect of fuel oils of heading ex 2710 only, atmospheric distillation, on condition that less than 30 % of these products distils, by volume, including losses, at 300 °C, by the ASTM D 86 method;

(n) in respect of heavy oils other than gas oils and fuel oils of heading ex 2710 only, treatment by means of a high-frequency electrical brush discharge; and

(o) in respect of crude products (other than petroleum jelly, ozokerite, lignite wax or peat wax, paraffin wax containing by weight less than 0,75 % of oil) of heading ex 2712 only, de-oiling by fractional crystallisation.

8.3. For the purposes of headings ex 2707 and 2713, simple operations, such as cleaning, decanting, desalting, water separation, filtering, colouring, marking, obtaining a sulphur content as a result of mixing products with different sulphur contents, or any combination of these operations or like operations, do not confer origin.

ANNEX II to Protocol 1

LIST OF REQUIRED WORKING OR PROCESSING

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 1	Live animals.	All the animals of Chapter 1 are wholly obtained.
Chapter 2	Meat and edible meat offal.	Manufacture in which all the meat and edible meat offal used are wholly obtained.
ex Chapter 3	Fish and crustaceans, molluscs and other aquatic invertebrates, except for:	All fish and crustaceans, molluscs and other aquatic invertebrates are wholly obtained.
0304	fish fillets and other fish meat (whether or not minced), fresh, chilled or frozen;	Manufacture in which all the materials of Chapter 3 used are wholly obtained.
0305	fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process; flours, meals and pellets of fish, fit for human consumption;	Manufacture in which all the materials of Chapter 3 used are wholly obtained.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex 0306	crustaceans, whether in shell or not, dried, salted or in brine; smoked crustaceans, whether in shell or not, whether or not cooked before or during the smoking process; crustaceans, in shell, cooked by steaming or by boiling in water, whether or not chilled, frozen, dried, salted or in brine; flours, meals and pellets of crustaceans, fit for human consumption;	Manufacture in which all the materials of Chapter 3 used are wholly obtained.
ex 0307	molluscs, whether in shell or not, dried, salted or in brine; smoked molluscs, whether in shell or not, whether or not cooked before or during the smoking process; flours, meals and pellets of molluscs, fit for human consumption; and	Manufacture in which all the materials of Chapter 3 used are wholly obtained.
ex 0308	aquatic invertebrates other than crustaceans and molluscs, dried salted or in brine; smoked aquatic invertebrates other than crustaceans and molluscs, whether or not cooked before or during the smoking process; flours, meals and pellets of aquatic invertebrates other than crustaceans and molluscs, fit for human consumption	Manufacture in which all the materials of Chapter 3 used are wholly obtained.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 4	Dairy produce; birds' eggs; edible products of animal origin, not elsewhere specified or included;	Manufacture in which: – all the materials of Chapter 4 used are wholly obtained; and – the weight of sugar used does not exceed 20 % of the weight of the final product.
0409	Natural honey.	Manufacture in which all the natural honey used is wholly obtained.
ex Chapter 5	Products of animal origin, not elsewhere specified or included, except for:	Manufacture from materials of any heading.
ex 0511 91	inedible fish eggs and roes.	All the eggs and roes are wholly obtained.
Chapter 6	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage.	Manufacture in which all the materials of Chapter 6 used are wholly obtained.
Chapter 7	Edible vegetables and certain roots and tubers.	Manufacture in which all the materials of Chapter 7 used are wholly obtained.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 8	Edible fruit and nuts; peel of citrus fruits or melons.	Manufacture in which: – all the fruit, nuts and peels of citrus fruits or melons of Chapter 8 used are wholly obtained; and – the weight of sugar used does not exceed 20 % of the weight of the final product.
Chapter 9	Coffee, tea, maté and spices.	Manufacture from materials of any heading.
Chapter 10	Cereals.	Manufacture in which all the materials of Chapter 10 used are wholly obtained.
Chapter 11	Products of the milling industry; malt; starches; inulin; wheat gluten.	Manufacture in which all the materials of Chapters 10 and 11, headings 0701, 071410 and 2303, and sub-heading 0710 10 used are wholly obtained.
Chapter 12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder.	Manufacture from materials of any heading, except that of the product.
Chapter 13	Lac; gums, resins and other vegetable saps and extracts.	Manufacture from materials of any heading, in which the weight of sugar used does not exceed 20 % of the weight of the final product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 14	Vegetable plaiting materials; vegetable products not elsewhere specified or included.	Manufacture from materials of any heading.
ex Chapter 15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes; except for:	Manufacture from materials of any subheading, except that of the product.
1509 and 1510	olive oil and its fractions;	Manufacture in which all the vegetable materials used are wholly obtained.
1516 and 1517	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; margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, other than edible fats or oils or their fractions of heading 1516; and	Manufacture from materials of any heading, except that of the product.
152000	glycerol.	Manufacture from materials of any heading.
Chapter 16	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates.	Manufacture in which all the materials of Chapters 2, 3 and 16 used are wholly obtained.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 17	Sugars and sugar confectionery; except for:	Manufacture from materials of any heading, except that of the product.
1702	other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel; and	Manufacture from materials of any heading, except that of the product, in which the weight of the materials of headings 1101 to 1108, 1701 and 1703 used does not exceed 30 % of the weight of the final product.
1704	sugar confectionery (including white chocolate), not containing cocoa;	Manufacture from materials of any heading, except that of the product, in which: – the individual weight of the materials of Chapter 4 used does not exceed 20 % of the weight of the final product; – the individual weight of sugar used does not exceed 40 % of the weight of the final products; and – the total combined weight of sugar and the materials of Chapter 4 used does not exceed 50 % of the weight of final product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 18	Cocoa and cocoa preparations.	Manufacture from materials of any heading, except that of the product, in which – the individual weight of sugar and of the materials of Chapter 4 used does not exceed 40 % of the weight of the final product; and – the total combined weight of sugar and the materials of Chapter 4 used does not exceed 60 % of the weight of final product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 19	Preparations of cereals, flour, starch or milk; pastrycooks' products.	Manufacture from materials of any heading, except that of the product, in which: – the weight of all the materials of Chapters 2, 3 and 16 used does not exceed 20 % of the weight of the final product; – the weight of the materials of headings 1006 and 1101 to 1108 used does not exceed 20 % of the weight of the final product; – the individual weight of the materials of Chapter 4 used does not exceed 20 % of the weight of the final product; – the individual weight of sugar used does not exceed 40 % of the weight of the final products; and – the total combined weight of sugar and the materials of Chapter 4 used does not exceed 50 % of the weight of final product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 20	Preparations of vegetables, fruit, nuts or other parts of plants; except for:	Manufacture from materials of any heading, except that of the product, in which the weight of sugar used does not exceed 20 % of the weight of the final product.
2002 and 2003	tomatoes, mushrooms and truffles prepared or preserved otherwise than by vinegar of acetic acid.	Manufacture in which all the materials of Chapters 7 used are wholly obtained.
ex Chapter 21	Miscellaneous edible preparations; except for:	Manufacture from materials of any heading, except that of the product, in which: – the individual weight of the materials of Chapter 4 used does not exceed 20 % of the weight of the final product; – the individual weight of sugar used does not exceed 40 % of the weight of the final products; and – the total combined weight of sugar and the materials of Chapter 4 used does not exceed 50 % of the weight of final product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
2103	Sauces and preparations therefore; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard:	
	– sauces and preparations therefore; mixed condiments and mixed seasonings; and	Manufacture from materials of any heading, except that of the product. However, mustard flour or meal or prepared mustard may be used.
	– mustard flour and meal and prepared mustard	Manufacture from materials of any heading.
Chapter 22	Beverages, spirits and vinegar.	Manufacture from materials of any heading, except that of the product and headings 2207 and 2208, in which: – all the materials of sub-headings 0806 10, 2009 61, 2009 69 used are wholly obtained; and – the individual weight of sugar and of the materials of Chapter 4 used does not exceed 20 % of the weight of the final product.
ex Chapter 23	Residues and waste from the food industries; prepared animal fodder; except for:	Manufacture from materials of any heading, except that of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
2302 and ex 2303	residues of starch manufacture; and	Manufacture from materials of any heading, except that of the product, in which the weight of the materials of Chapter 10 used does not exceed 20 % of the weight of the final product.
2309	preparations of a kind used in animal feeding.	Manufacture from materials of any heading, except that of the product, in which: – all the materials of Chapters 2 and 3 used are wholly obtained; – the materials of Chapter 10 and 11 and headings 2302 and 2303 used does not exceed 20 % of the weight of the final product; – the individual weight of the materials of Chapter 4 used does not exceed 20 % of the weight of the final product; – the individual weight of sugar used does not exceed 40 % of the weight of the final products; and – the total combined weight of sugar and the materials of Chapter 4 used does not exceed 50 % of the weight of final product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 24	Tobacco and manufactured tobacco substitutes; except for:	Manufacture from materials of any heading in which the weight of materials of Chapter 24 used does not exceed 30 % of the total weight of materials of Chapter 24 used.
2401	unmanufactured tobacco; tobacco refuse; and	All unmanufactured tobacco and tobacco refuse of Chapter 24 is wholly obtained.
ex 2402	cigarettes of tobacco or of tobacco substitutes.	Manufacture from materials of any heading except that of the product and of smoking tobacco of subheading 240319 in which at least 10 % by weight of all materials of chapter 24 used is wholly obtained unmanufactured tobacco or tobacco refuse of heading 2401.
ex Chapter 25	Salt; sulphur; earths and stone; plastering materials, lime and cement; except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex 2519	crushed natural magnesium carbonate (magnesite), in hermetically-sealed containers, and magnesium oxide, whether or not pure, other than fused magnesia or dead-burned (sintered) magnesia.	Manufacture from materials of any heading, except that of the product. However, natural magnesium carbonate (magnesite) may be used.
Chapter 26	Ores, slag and ash.	Manufacture from materials of any heading, except that of the product.
ex Chapter 27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes, except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex 2707	oils in which the weight of the aromatic constituents exceeds that of the non-aromatic constituents, being oils similar to mineral oils obtained by distillation of high temperature coal tar, of which more than 65 % by volume distils at a temperature of up to 250°C (including mixtures of petroleum spirit and benzole), for use as power or heating fuels.	Operations of refining or one or more specific process(es)[1]; or other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
2710	petroleum oils and oils obtained from bituminous materials, other than crude; preparations not elsewhere specified or included, containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous materials, these oils being the basic constituents of the preparations; waste oils;	Operations of refining or one or more specific process(es)[2];or other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product.
2711	petroleum gases and other gaseous hydrocarbons;	Operations of refining or one or more specific process(es)[2]; or other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product.
2712	petroleum jelly; paraffin wax, microcrystalline petroleum wax, slack wax, ozokerite, lignite wax, peat wax, other mineral waxes, and similar products obtained by synthesis or by other processes, whether or not coloured; and	Operations of refining or one or more specific process(es)[2]; or other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
2713	petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous materials.	Operations of refining or one or more specific process(es)[1]; or other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 % of the ex-works price of the product.
Chapter 28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes.	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
Chapter 29	Organic chemicals.	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 30	Pharmaceutical products.	Manufacture from materials of any heading.
3004	Medicaments (excluding goods of heading 3002, 3005 or 3006) consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses (including those in the form of transdermal administration systems) or in forms or in forms of packing for retail sale.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 31	Fertilisers.	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
Chapter 32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; and inks.	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations.	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
ex Chapter 34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and dental preparations with a basis of plaster, except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex 3404	Artificial waxes and prepared waxes: – with a basis of paraffin, petroleum waxes, waxes obtained from bituminous minerals, slack wax or scale wax.	Manufacture from materials of any heading.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 35	Albuminoidal substances; modified starches; glues; enzymes.	Manufacture from materials of any heading, except that of the product.
3505	Dextrins and other modified starches (for example, pregelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches.	Manufacture from materials of any heading, except that of the product, in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
3506	Prepared glues and other prepared adhesives, not elsewhere specified or included; products suitable for use as glues or adhesives, put up for retail sale as glues or adhesives, not exceeding a net weight of 1 kg.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations.	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 37	Photographic or cinematographic goods.	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
ex Chapter 38	Miscellaneous chemical products; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
3824 60	sorbitol other than that of subheading 2905 44; and	Manufacture from materials of any subheading, except that of the product and except materials of subheading 2905 44. However, materials of the same subheading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
Chapter 39	plastics and articles thereof.	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 % of the ex-works price of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
ex Chapter 40	Rubber and articles thereof; except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
4012	retreaded or used pneumatic tyres of rubber; solid or cushion tyres, tyre treads and tyre flaps, of rubber:	
	– retreaded pneumatic, solid or cushion tyres, of rubber; and	Retreading of used tyres.
	– other	Manufacture from materials of any heading, except those of headings 4011 and 4012; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex Chapter 41	Raw hides and skins (other than furskins) and leather; except for:	
4104 to 4106	tanned or crust hides and skins, without wool or hair on, whether or not split, but not further prepared; and	Re-tanning of tanned or pre-tanned hides and skins of sub-headings 4104 11, 4104 19, 4105 10, 4106 21, 4106 31 or 4106 91; or manufacture from materials of any heading, except that of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
4107, 4112, 4113	leather further prepared after tanning or crusting.	Manufacture from materials of any heading, except that of the product. However, materials of sub-headings 4104 41, 4104 49, 4105 30, 4106 22, 4106 32 and 4106 92 may be used only if a re-tanning operation of the tanned or crust hides and skins in the dry state takes place.
Chapter 42	Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk worm gut).	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex Chapter 43	Furskins and artificial fur; manufactures thereof; except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
4302	tanned or dressed furskins, assembled: (including heads, tails, paws and other pieces of cuttings), unassembled or assembled (without the addition of other materials) other than those of heading 4303; and	Manufacture from materials of any heading, except that of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
4303	articles of apparel, clothing accessories and other articles of furskin.	Manufacture from materials of any heading, except that of the product.
ex Chapter 44	Wood and articles of wood; wood charcoal; except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex 4407	wood sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6 mm, planed, sanded or end-jointed;	Planing, sanding or end-jointing.
ex 4408	sheets for veneering (including those obtained by slicing laminated wood) and for plywood, of a thickness not exceeding 6 mm, spliced, and other wood sawn lengthwise, sliced or peeled of a thickness not exceeding 6 mm, planed, sanded or end-jointed;	Splicing, planing, sanding or end-jointing.
ex 4410 to ex 4413	beadings and mouldings, including moulded skirting and other moulded boards;	Beading or moulding.
ex 4415	packing cases, boxes, crates, drums and similar packings, of wood:	Manufacture from boards not cut to size.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex 4418	– builders' joinery and carpentry of wood;	Manufacture from materials of any heading, except that of the product. However, cellular wood panels, shingles and shakes may be used.
	– beadings and mouldings; and	Beading or moulding.
ex 4421	match splints; wooden pegs or pins for footwear.	Manufacture from wood of any heading, except drawn wood of heading 4409
Chapter 45	Cork and articles of cork.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 48	Paper and paperboard; articles of paper pulp, of paper or of paperboard.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans.	Manufacture from materials of any heading except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex Chapter 50	Silk; except for:	Manufacture from materials of any heading, except that of the product.
ex 5003	silk waste (including cocoons unsuitable for reeling, yarn waste and garnetted stock), carded or combed;	Carding or combing of silk waste.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
5004 to ex 5006	silk yarn and yarn spun from silk waste; and	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning or twisting.[3]
5007	woven fabrics of silk or of silk waste:	Spinning of natural or man-made staple fibres or extrusion of man-made filament yarn or twisting, in each case accompanied by weaving; weaving accompanied by dyeing; yarn dyeing accompanied by weaving; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 51	Wool, fine or coarse animal hair; horsehair yarn and woven fabric; except for:	Manufacture from materials of any heading, except that of the product.
5106 to 5110	yarn of wool, of fine or coarse animal hair or of horsehair; and	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning.[3]
5111 to 5113	woven fabrics of wool, of fine or coarse animal hair or of horsehair.	Spinning of natural or man-made staple fibres or extrusion of man-made filament yarn, in each case accompanied by weaving; weaving accompanied by dyeing or yarn dyeing accompanied by weaving; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 52	Cotton; except for:	Manufacture from materials of any heading, except that of the product.
5204 to 5207	yarn and thread of cotton; and	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning.[3]
5208 to 5212	woven fabrics of cotton.	Spinning of natural or man-made staple fibres or extrusion of man-made filament yarn, in each case accompanied by weaving; weaving accompanied by dyeing or by coating; yarn dyeing accompanied by weaving; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 53	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn; except for:	Manufacture from materials of any heading, except that of the product.
5306 to 5308	yarn of other vegetable textile fibres; paper yarn; and	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning.[3]
5309 to 5311	woven fabrics of other vegetable textile fibres; woven fabrics of paper yarn.	Spinning of natural or man- made staple fibres or extrusion of man-made filament yarn, in each case accompanied by weaving; weaving accompanied by dyeing or by coating; yarn dyeing accompanied by weaving; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
5401 to 5406	Yarn, monofilament and thread of man-made filaments.	Extrusion of man-made fibres accompanied by spinning or spinning of natural fibres.[3]
5407 and 5408	Woven fabrics of man-made filament yarn.	Spinning of natural or man-made staple fibres or extrusion of man-made filament yarn, in each case accompanied by weaving; weaving accompanied by dyeing or by coating; twisting or texturing accompanied by weaving provided that the value of the non-twisted/non-textured yarns used does not exceed 47,5 % of the ex-works price of the product; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
5501 to 5507	Man-made staple fibres.	Extrusion of man-made fibres.
5508 to 5511	Yarn and sewing thread of man-made staple fibres.	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning.[3]
5512 to 5516	Woven fabrics of man-made staple fibres.	Spinning of natural or man- made staple fibres or extrusion of man-made filament yarn, in each case accompanied by weaving; weaving accompanied by dyeing or by coating; yarn dyeing accompanied by weaving; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 56	Wadding, felt and non-wovens; special yarns; twine, cordage, ropes and cables and articles thereof; except for:	Extrusion of man-made fibres accompanied by spinning or spinning of natural fibres; or flocking accompanied by dyeing or printing.[3]
5602	felt, whether or not impregnated, coated, covered or laminated:	
	- needleloom felt; and	Extrusion of man-made fibres accompanied by fabric formation, However: – polypropylene filament of heading 5402; – polypropylene fibres of heading 5503 or 5506; or – polypropylene filament tow of heading 5501; of which the denomination in all cases of a single filament or fibre is less than 9 decitex, may be used, provided that their total value does not exceed 40 % of the ex-works price of the product; or fabric formation alone in the case of felt made from natural fibres.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
	– other;	Extrusion of man-made fibres accompanied by fabric formation; or fabric formation alone in the case of other felt made from natural fibres.[3]
5603	nonwovens whether or not impregnated, coated, covered or laminated;	Extrusion of man-made fibres, or use of natural fibres, accompanied by nonwoven techniques including needle punching.
5604	rubber thread and cord, textile covered; textile yarn, and strip and the like of heading 5404 or 5405, impregnated, coated, covered or sheathed with rubber or plastics:	
	– rubber thread and cord, textile covered; and	Manufacture from rubber thread or cord, not textile covered.
	– other;	Extrusion of man-made fibres accompanied by spinning or spinning of natural fibres.[3]
5605	metallised yarn, whether or not gimped, being textile yarn, or strip or the like of heading 5404 or 5405, combined with metal in the form of thread, strip or powder or covered with metal; and	Extrusion of man-made fibres accompanied by spinning or spinning of natural or man-made staple fibres.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
5606	gimped yarn, and strip and the like of heading 5404 or 5405, gimped (other than those of heading 5605 and gimped horsehair yarn); chenille yarn (including flock chenille yarn); loop wale-yarn.	Extrusion of man-made fibres accompanied by spinning or spinning of natural or man-made staple fibres; spinning accompanied with flocking; or flocking accompanied by dyeing.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 57	Carpets and other textile floor coverings.	Spinning of natural or man-made staple fibres or extrusion of man-made filament yarn, in each case accompanied by weaving; manufacture from coir yarn or sisal yarn or jute yarn; flocking accompanied by dyeing or by printing; or tufting accompanied by dyeing or by printing. Extrusion of man-made fibres accompanied by non-woven techniques including needle punching.[3] However: – polypropylene filament of heading 5402, – polypropylene fibres of heading 5503 or 5506, or – polypropylene filament tow of heading 5501, of which the denomination in all cases of a single filament or fibre is less than 9 decitex, may be used, provided that their total value does not exceed 40 % of the ex-works price of the product. Jute fabric may be used as a backing.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; and embroidery; except for:	Spinning of natural or man-made staple fibres or extrusion of man-made filament yarn, in each case accompanied by weaving; weaving accompanied by dyeing or flocking or coating; flocking accompanied by dyeing or by printing; yarn dyeing accompanied by weaving; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3]
5805	hand-woven tapestries of the types Gobelins, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries (for example, petit point, cross stitch), whether or not made up; and	Manufacture from materials of any heading, except that of the product.
5810	embroidery in the piece, in strips or in motifs.	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
5901	Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books or the like; tracing cloth; prepared painting canvas; buckram and similar stiffened textile fabrics of a kind used for hat foundations.	Weaving accompanied by dyeing or by flocking or by coating; or flocking accompanied by dyeing or by printing.
5902	Tyre cord fabric of high tenacity yarn of nylon or other polyamides, polyesters or viscose rayon:	
	– containing not more than 90 % by weight of textile materials	Weaving.
	– other	Extrusion of man-made fibres accompanied by weaving.
5903	Textile fabrics impregnated, coated, covered or laminated with plastics, other than those of heading 5902.	Weaving accompanied by dyeing or by coating; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
5904	Linoleum, whether or not cut to shape; floor coverings consisting of a coating or covering applied on a textile backing, whether or not cut to shape.	Weaving accompanied by dyeing or by coating.[3]
5905	Textile wall coverings:	
	– impregnated, coated, covered or laminated with rubber, plastics or other materials	Weaving accompanied by dyeing or by coating.
	– other	Spinning of natural or man-made staple fibres or extrusion of manmade filament yarn, in each case accompanied by weaving; weaving accompanied by dyeing or by coating; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
5906	Rubberised textile fabrics, other than those of heading 5902:	
	– knitted or crocheted fabrics;	Spinning of natural or man-made staple fibres or extrusion of manmade filament yarn, in each case accompanied by knitting; knitting accompanied by dyeing or by coating; or dyeing of yarn of natural fibres accompanied by knitting.[3]
	– other fabrics made of synthetic filament yarn, containing more than 90 % by weight of textile materials; and	Extrusion of man-made fibres accompanied by weaving.
	– other.	Weaving accompanied by dyeing or by coating; or dyeing of yarn of natural fibres accompanied by weaving.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
5907	Textile fabrics otherwise impregnated, coated or covered; painted canvas being theatrical scenery, studio back-cloths or the like.	Weaving accompanied by dyeing or by flocking or by coating; flocking accompanied by dyeing or by printing; or printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.
5908	Textile wicks, woven, plaited or knitted, for lamps, stoves, lighters, candles or the like; incandescent gas mantles and tubular knitted gas mantle fabric therefor, whether or not impregnated:	
	– incandescent gas mantles, impregnated; and	Manufacture from tubular knitted gas-mantle fabric.
	– other	Manufacture from materials of any heading, except that of the product.
5909 to 5911	Textile articles of a kind suitable for industrial use:	
	– polishing discs or rings other than of felt of heading 5911;	Weaving.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
	– woven fabrics, of a kind commonly used in papermaking or other technical uses, felted or not, whether or not impregnated or coated, tubular or endless with single or multiple warp and/or weft, or flat woven with multiple warp and/or weft of heading 5911; and	Extrusion of man-made fibres or Spinning of natural or of man-made staple fibres, in each case accompanied by weaving; or weaving accompanied by dyeing or by coating. Only the following fibres may be used: – coir yarn; – yarn of polytetrafluoroethylene[4]; – yarn, multiple, of polyamide, coated impregnated or covered with a phenolic resin; – yarn of synthetic textile fibres of aromatic polyamides, obtained by polycondensation of m-phenylenediamine and isophthalic acid; – monofil of polytetrafluoroethylene[4]; – yarn of synthetic textile fibres of poly (*p*-phenylene terephthalamide);

Heading (1)	Description of the good (2)	Required Working or Processing (3)
		– glass fibre yarn, coated with phenol resin and gimped with acrylic yarn[4]; and – copolyester monofilaments of a polyester and a resin of terephthalic acid and 1,4-cyclohexanediethanol and isophthalic acid.
	– other	Extrusion of man-made filament yarn or spinning of natural or man-made staple fibres, accompanied by weaving[3]; or weaving accompanied by dyeing or by coating.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 60	Knitted or crocheted fabrics.	Spinning of natural or man-made staple fibres or extrusion of manmade filament yarn, in each case accompanied by knitting; knitting accompanied by dyeing or by flocking or by coating; flocking accompanied by dyeing or by printing; dyeing of yarn of natural fibres accompanied by knitting; or twisting or texturing accompanied by knitting provided that the value of the non-twisted/non-textured yarns used does not exceed 47,5 % of the ex-works price of the product.[3]
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted:	
	– obtained by sewing together or otherwise assembling, two or more pieces of knitted or crocheted fabric which have been either cut to form or obtained directly to form; and	Knitting and making-up (including cutting).[3,5]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
	– other	Spinning of natural or man-made staple fibres or extrusion of man-made filament yarn, in each case accompanied by knitting (knitted to shape products); or dyeing of yarn of natural fibres accompanied by knitting (knitted to shape products).[3]
ex Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted; except for:	Weaving accompanied by making- up (including cutting); or making-up preceded by printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3,5]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex 6202, ex 6204, ex 6206, ex 6209 and ex 6211	women's, girls' and babies' clothing and clothing accessories for babies, embroidered;	Weaving accompanied by making- up (including cutting); or manufacture from unembroidered fabric, provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product.[5]
ex 6210 and ex 6216	fire-resistant equipment of fabric covered with foil of aluminised polyester;	Weaving accompanied by making- up (including cutting); or coating provided that the value of the uncoated fabric used does not exceed 40 % of the ex-works price of the product accompanied by making-up (including cutting).[5]
6213 and 6214	handkerchiefs, shawls, scarves, mufflers, mantillas, veils and the like:	

Heading (1)	Description of the good (2)	Required Working or Processing (3)
	– embroidered; and	Weaving accompanied by making-up (including cutting); manufacture from unembroidered fabric, provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product (9); or making-up preceded by printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3,5]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
	– other; and	Weaving accompanied by making-up (including cutting);or making-up preceded by printing accompanied by at least two preparatory finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product.[3,5]
6217	other made up clothing accessories; parts of garments or of clothing accessories, other than those of heading 6212:	
	– embroidered;	Weaving accompanied by making-up (including cutting); or manufacture from unembroidered fabric, provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product.[5]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
	– fire-resistant equipment of fabric covered with foil of aluminised polyester;	Weaving accompanied by making-up (including cutting); or coating provided that the value of the uncoated fabric used does not exceed 40 % of the ex-works price of the product accompanied by making-up (including cutting).[5]
	– interlinings for collars and cuffs, cut out; and	Manufacture from materials of any heading, except that of the product, and in which the value of all the materials used does not exceed 40 % of the ex-works price of the product.
	– other.	Weaving accompanied by making- up (including cutting).[5]
ex Chapter 63	Other made-up textile articles; sets; worn clothing and worn textile articles; rags; except for:	Manufacture from materials of any heading, except that of the product.
6301 to 6304	blankets, travelling rugs, bed linen etc.; curtains etc.; other furnishing articles:	
	– of felt, of nonwovens; and	Extrusion of man-made fibres or use of natural fibres in each case accompanied by non-woven process including needle punching and making-up (including cutting).[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
	– other:	
	– – embroidered; and	Weaving or knitting accompanied by making-up (including cutting); or manufacture from unembroidered fabric (other than knitted or crocheted), provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product.[5,6]
	– – other;	Weaving or knitting accompanied by making-up (including cutting).
6305	sacks and bags, of a kind used for the packing of goods;	Extrusion of man-made fibres or spinning of natural and/or man-made staple fibres accompanied by weaving or knitting and making-up (including cutting).[3]

Heading (1)	Description of the good (2)	Required Working or Processing (3)
6306	tarpaulins, awnings and sunblinds; tents; sails for boats, sailboards or landcraft; camping goods:	
	– of nonwovens; and	Extrusion of man-made fibres or natural fibres in each case accompanied by any non-woven techniques including needle punching.
	– other;	Weaving accompanied by making-up (including cutting);[3,5] or coating provided that the value of the uncoated fabric used does not exceed 40 % of the ex-works price of the product accompanied by making-up (including cutting).
6307	other made-up articles, including dress patterns; and	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product.
6308	sets consisting of woven fabric and yarn, whether or not with accessories, for making up into rugs, tapestries, embroidered table cloths or serviettes, or similar textile articles, put up in packings for retail sale.	Each item in the set must satisfy the rule which would apply to it if it were not included in the set. However, non-originating articles may be incorporated, provided that their total value does not exceed 15 % of the ex-works price of the set.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 64	Footwear, gaiters and the like; parts of such articles; except for:	Manufacture from materials of any heading, except from assemblies of uppers affixed to inner soles or to other sole components of heading 6406.
6406	parts of footwear (including uppers whether or not attached to soles other than outer soles); removable in-soles, heel cushions and similar articles; gaiters, leggings and similar articles, and parts thereof.	Manufacture from materials of any heading, except that of the product.
Chapter 65	Headgear and parts thereof.	Manufacture from materials of any heading, except that of the product.
Chapter 66	Umbrellas, sun umbrellas, walking-sticks, seat-sticks, whips, riding-crops, and parts thereof.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair.	Manufacture from materials of any heading, except that of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 68	Articles of stone, plaster, cement, asbestos, mica or similar materials, except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex 6803	articles of slate or of agglomerated slate;	Manufacture from worked slate.
ex 6812	articles of asbestos; articles of mixtures with a basis of asbestos or of mixtures with a basis of asbestos and magnesium carbonate; and	Manufacture from materials of any heading.
ex 6814	articles of mica, including agglomerated or reconstituted mica, on a support of paper, paperboard or other materials.	Manufacture from worked mica (including agglomerated or reconstituted mica).
Chapter 69	Ceramic products.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 70	Glass and glassware, except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
7010	carboys, bottles, flasks, jars, pots, phials, ampoules and other containers, of glass, of a kind used for the conveyance or packing of goods; preserving jars of glass; stoppers, lids and other closures, of glass;	Manufacture from materials of any heading, except that of the product; or cutting of glassware, provided that the total value of the uncut glassware used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
7013	glassware of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes (other than that of heading 7010 or 7018); and	Manufacture from materials of any heading, except that of the product; cutting of glassware, provided that the total value of the uncut glassware used does not exceed 50 % of the ex-works price of the product; or hand-decoration (except silk-screen printing) of hand-blown glassware, provided that the total value of the hand-blown glassware used does not exceed 50 % of the ex-works price of the product.
7019	glass fibres (including glass wool) and articles thereof (for example, yarn, woven fabrics).	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin, except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
7106, 7108 and 7110	precious metals:	
	– unwrought; and	Manufacture from materials of any heading, except those of headings 7106, 7108 and 7110; electrolytic, thermal or chemical separation of precious metals of heading 7106, 7108 or 7110; or fusion or alloying of precious metals of heading 7106, 7108 or 7110 with each other or with base metals.
	– semi-manufactured or in powder form; and	Manufacture from unwrought precious metals.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
7117	imitation jewellery.	Manufacture from materials of any heading, except that of the product; or manufacture from base metal parts, not plated or covered with precious metals, provided that the value of all the materials used does not exceed 50 % of the ex-works price of the product.
ex Chapter 72	Iron and steel; except for:	Manufacture from materials of any heading, except that of the product.
7207	semi-finished products of iron or non-alloy steel;	Manufacture from materials of heading 7201, 7202, 7203, 7204 or 7205.
7208 to 7214	flat-rolled products, bars and rods of iron or non-alloy steel;	Manufacture from ingots or other primary forms or semi-finished materials of heading 7206 or 7207.
7215 and 7216	other bars and rods of iron or non-alloy steel; angles, shapes and sections of iron or non-alloy steel;	Manufacture from materials of any heading, except that of the product and of headings 7206 and 7207; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
7217	wire of iron or non-alloy steel;	Manufacture from semi-finished materials of heading 7207.
7218 91 and 7218 99	semi-finished products;	Manufacture from materials of heading 7201, 7202, 7203, 7204, 7205 or subheading 7218 10.
7219 to 7222	flat-rolled products, bars and rods, angles, shapes and sections of stainless steel;	Manufacture from ingots or other primary forms or semi-finished materials of heading 7218.
7223	wire of stainless steel;	Manufacture from semi-finished materials of heading 7218.
7224 90	semi-finished products;	Manufacture from materials of heading 7201, 7202, 7203, 7204, 7205 or subheading 7224 10.
7225 to 7228	flat-rolled products, hot-rolled bars and rods, in irregularly wound coils; angles, shapes and sections, of other alloy steel; hollow drill bars and rods, of alloy or non-alloy steel; and	Manufacture from ingots or other primary forms or semi-finished materials of heading 7206, 7207, 7218 or 7224.
7229	wire of other alloy steel.	Manufacture from semi-finished materials of heading 7224.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 73	Articles of iron or steel; except for:	Manufacture from materials of any heading, except that of the product.
ex 7301	sheet piling;	Manufacture from materials of heading 7206.
7302	railway or tramway track construction material of iron or steel, the following: rails, check-rails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish-plates, chairs, chair wedges, sole pates (base plates), rail clips, bedplates, ties and other material specialised for jointing or fixing rails;	Manufacture from materials of heading 7206.
7304 and 7305	tubes, pipes and hollow profiles, of iron (other than cast iron) or steel; other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel;	Manufacture from materials of heading 7206, 7207, 7208, 7209, 7210, 7212, 7218, 7219, 7220 or 7224.
7306	other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel;	Manufacture from materials of any Chapter except that of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex 7307	tube or pipe fittings of stainless steel (ISO No X5CrNiMo 1712), consisting of several parts; and	Turning, drilling, reaming, threading, deburring and sandblasting of forged blanks, provided that the total value of the forged blanks used does not exceed 35 % of the ex-works price of the product.
7308	structures (excluding prefabricated buildings of heading 9406) and parts of structures (for example, bridges and bridge-sections, lock-gates, towers, lattice masts, roofs, roofing frameworks, doors and windows and their frames and thresholds for doors, shutters, balustrades, pillars and columns), of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel.	Manufacture from materials of any heading, except that of the product. However, welded angles, shapes and sections of heading 7301 may not be used.
ex Chapter 74	Copper and articles thereof; except for:	Manufacture from materials of any heading, except that of the product.
7408	copper wire; and	Manufacture from materials of any heading, except that of the product and heading 7407.
7413	stranded wire, cables, plaited bands and the like, of copper; not electrically insulated.	Manufacture from materials of any heading, except that of the product and heading 7408.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 75	Nickel and articles thereof.	Manufacture from materials of any heading, except that of the product.
ex Chapter 76	Aluminium and articles thereof, except:	Manufacture from materials of any heading, except that of the product.
7601	unwrought aluminium;	Manufacture from materials of any heading.
7605	aluminium wire;	Manufacture from materials of any heading, except that of the product and heading 7604.
7607	aluminium foil (whether or not printed or backed with paper, paperboard, plastics or similar backing materials) of a thickness (excluding any backing) not exceeding 0,2 mm; and	Manufacture from materials of any heading, except that of the product and heading 7606.
7614	stranded wire, cables, plaited bands and the like, of aluminium, not electrically insulated.	Manufacture from materials of any heading, except that of the product and heading 7605.
Chapter 78	Lead and articles thereof.	Manufacture from materials of any heading, except that of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 79	Zinc and articles thereof.	Manufacture from materials of any heading, except that of the product.
ex Chapter 80	Tin and articles thereof, except:	Manufacture from materials of any heading, except that of the product.
8007	other articles of tin.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 81	Other base metals; cermets; articles thereof.	Manufacture from materials of any heading.
ex Chapter 82	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal; except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
8206	tools of two or more of the headings 8202 to 8205, put up in sets for retail sale.	Manufacture from materials of any heading, except those of headings 8202 to 8205. However, tools of headings 8202 to 8205 may be incorporated into the set, provided that their total value does not exceed 15 % of the ex-works price of the set.
Chapter 83	Miscellaneous articles of base metal.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex Chapter 84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof; except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
8401	nuclear reactors; fuel elements (cartridges), non-irradiated, for nuclear reactors; machinery and apparatus for isotopic separation;	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8407	spark-ignition reciprocating or rotary internal combustion piston engines;	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
8408	compression-ignition internal combustion piston engines (diesel or semi-diesel engines);	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8419	machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of heading 8514), 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; instantaneous or storage water heaters, non-electric;	Manufacture from materials of any subheading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
8427	fork-lift trucks; other works trucks fitted with lifting or handling equipment;	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product

Heading (1)	Description of the good (2)	Required Working or Processing (3)
8443 31	machines which perform two or more functions of printing, copying or facsimile transmission, capable of connecting to an automatic data-processing machine or to a network;	Manufacture from materials of any subheading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
8481	taps, cocks, valves and similar appliances for pipes, boiler shells, tanks, vats or the like, including pressure-reducing valves and thermostatically controlled valves; and	Manufacture from materials of any subheading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
8482	ball or roller bearings.	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product.
ex Chapter 85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles; except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
8501,8502	electric motors and generators; Electric generating sets and rotary converters;	Manufacture from materials of any heading, except that of the product and of heading 8503; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8513	portable electric lamps designed to function by their own source of energy (for example, dry batteries, accumulators, magnetos), other than lighting equipment of heading 8512;	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8519	sound recording and sound reproducing apparatus;	Manufacture from materials of any heading, except that of the product and of heading 8522; or manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product.
8521	video recording or reproducing apparatus, whether or not incorporating a video tuner;	Manufacture from materials of any heading, except that of the product and of heading 8522; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
8523	discs, tapes, solid-state non-volatile storage devices, "smart cards" and other media for the recording of sound or of other phenomena, whether or not recorded, including matrices and masters for the production of discs, but excluding products of Chapter 37;	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8525	transmission apparatus for radio-broadcasting or television, whether or not incorporating reception apparatus or sound recording or reproducing apparatus; television cameras, digital cameras and video camera recorders;	Manufacture from materials of any heading, except that of the product and of heading 8529; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8526	radar apparatus, radio navigational aid apparatus and radio remote control apparatus;	Manufacture from materials of any heading, except that of the product and of heading 8529; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
8527	reception apparatus for radio-broadcasting, whether or not combined, in the same housing, with sound recording or reproducing apparatus or a clock;	Manufacture from materials of any heading, except that of the product and of heading 8529; or manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
8528	monitors and projectors, not incorporating television reception apparatus; reception apparatus for television, whether or not incorporating radio- broadcast receivers or sound or video recording or reproducing apparatus;	Manufacture from materials of any heading, except that of the product and of heading 8529; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8535 to 8537	electrical apparatus for switching or protecting electrical circuits, or for making connections to or in electrical circuits; connectors for optical fibres, optical fibre bundles or cables; boards, panels, consoles, desks, cabinets and other bases, for electric control or the distribution of electricity;	Manufacture from materials of any heading, except that of the product and of heading 8538; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product

Heading (1)	Description of the good (2)	Required Working or Processing (3)
8539	electric filament or discharge lamps, including sealed beam lamp units and ultra-violet or infra-red lamps; arc-lamps;	Manufacture from materials of any subheading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
8544	insulated (including enamelled or anodised) wire, cable (including coaxial cable) and other insulated electric conductors, whether or not fitted with connectors; optical fibre cables, made up of individually sheathed fibres, whether or not assembled with electric conductors or fitted with connectors;	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8545	carbon electrodes, carbon brushes, lamp carbons, battery carbons and other articles of graphite or other carbon, with or without metal, of a kind used for electrical purposes;	Manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
8546	electrical insulators of any material;	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
8547	insulating fittings for electrical machines, appliances or equipment, being fittings wholly of insulating materials apart from any minor components of metal (for example, threaded sockets) incorporated during moulding solely for purposes of assembly, other than insulators of heading 8546; electrical conduit tubing and joints therefor, of base metal lined with insulating material; and	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8548	waste and scrap of primary cells, primary batteries and electric accumulators; spent primary cells, spent primary batteries and spent electric accumulators; electrical parts of machinery or apparatus, not specified or included elsewhere in this Chapter.	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
Chapter 86	Railway or tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds.	Manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex Chapter 87	Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof; except for:	Manufacture in which the value of all the materials used does not exceed 45 % of the ex-works price of the product.
8711	motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars, side-cars; and	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
8714	parts and accessories of vehicles of headings 8711 to 8713.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
ex Chapter 88	Aircraft, spacecraft, and parts thereof; except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex 8804	rotochutes.	Manufacture from materials of any heading, including other materials of heading 8804; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 89	Ships, boats and floating structures.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex Chapter 90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof, except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70% of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
9001 50	spectacle lenses of materials other than glass; and	Manufacture from materials of any heading, except that of the product; manufacture in which the value of all the materials used does not exceed 70% of the ex-works price of the product; or manufacture in which one of the following operations is included: – surfacing of the semi-finished lens into a finished ophthalmic lens with optical corrective power meant to be mounted on a pair of spectacles; or – coating of the lens to appropriated treatments to improve vision and ensure protection of the wearer.[7]
9002	lenses, prisms, mirrors and other optical elements, of any material, mounted, being parts of or fittings for instruments or apparatus, other than such elements of glass not optically worked.	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 91	Clocks and watches and parts thereof.	Manufacture in which the value of all the materials used does not exceed 70% of the ex-works price of the product.
Chapter 92	Musical instruments; parts and accessories of such articles.	Manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
Chapter 93	Arms and ammunition; parts and accessories thereof.	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product.
Chapter 94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings.	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
ex Chapter 95	Toys, games and sports requisites; parts and accessories thereof, except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
ex 9506	golf clubs and parts thereof.	Manufacture from materials of any heading, except that of the product. However, roughly-shaped blocks for making golf-club heads may be used.
ex Chapter 96	Miscellaneous manufactured articles, except for:	Manufacture from materials of any heading, except that of the product; or manufacture in which the value of all the materials used does not exceed 70 %of the ex-works price of the product.
9603	brooms, brushes (including brushes constituting parts of machines, appliances or vehicles), hand-operated mechanical floor sweepers, not motorized, mops and feather dusters; prepared knots and tufts for broom or brush making; paint pads and rollers, squeegees (other than roller squeegees);	Manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product.
9605	travel sets for personal toilet, sewing or shoe or clothes cleaning;	Each item in the set must satisfy the rule which would apply to it if it were not included in the set. However, non-originating articles may be incorporated, provided that their total value does not exceed 15 % of the ex-works price of the set.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
9608	ball-point pens; felt-tipped and other porous-tipped pens and markers; fountain pens, stylograph pens and other pens; duplicating stylos; propelling or sliding pencils; pen-holders, pencil-holders and similar holders; parts (including caps and clips) of the foregoing articles, other than those of heading 9609;	Manufacture from materials of any heading, except that of the product. However, nibs or nib-points of the same heading as the product may be used.
9613 20	pocket lighters, gas fuelled, refillable; and	Manufacture in which the total value of the materials of heading 9613 used does not exceed 30 % of the ex-works price of the product.
9614	smoking pipes (including pipe bowls) and cigar or cigarette holders, and parts thereof.	Manufacture from materials of any heading.

Heading (1)	Description of the good (2)	Required Working or Processing (3)
Chapter 97	Works of art, collectors' pieces and antiques	Manufacture from materials of any heading, except that of the product.

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1 For the special conditions relating to "specific processes", see Notes 8.1 and 8.3 of Annex I to Protocol 1 (Introductory Notes).

2 For the special conditions relating to "specific processes", see Note 8.2 of Annex I to Protocol 1 (Introductory Notes).

3 For special conditions relating to products made of a mixture of textile materials, see Note 6 of Annex I to Protocol 1 (Introductory Notes).

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

5 See Note 7 of Annex I to Protocol 1 (Introductory Notes).

6 For knitted or crocheted articles, not elastic or rubberised, obtained by sewing or assembling pieces of knitted or crocheted fabrics (cut out or knitted directly to shape), see Note 7 of Annex I to Protocol 1 (Introductory Notes).

7 Coatings treatments will provide the lens key properties in terms of improved vision (for example: prevention of breakage and scratches, anti-smudge, anti-dust, anti-fog or water repellent functions) and health protection (for example: protection from visible light through photo-chromic properties, reduction of ultra-violet direct and indirect exposure, or prevention of harmful effects linked to high-energy blue light).

ANNEX III to Protocol 1

MATERIALS REFERRED TO IN PARAGRAPH 2 OF ARTICLE 3
(CUMULATION OF ORIGIN)

HS	Description
030741	Live, fresh or chilled cuttlefish and squid
030751	Live, fresh or chilled octopus

ANNEX IV to Protocol 1

PRODUCTS REFERRED TO IN PARAGRAPH 2 OF ARTICLE 3
(CUMULATION OF ORIGIN)

HS	Description
160554	Prepared or preserved cuttlefish and squid
160555	Prepared or preserved octopus

ANNEX V to Protocol 1

PRODUCTS REFERRED TO IN PARAGRAPH 7 OF ARTICLE 3
(CUMULATION OF ORIGIN)

HS	Description
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted
Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted

ANNEX VI to Protocol 1

TEXT OF THE ORIGIN DECLARATION

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

Bulgarian version

Износителят на продуктите, обхванати от този документ (митническо разрешение № …[1]) декларира, че освен където е отбелязано друго, тези продукти са с … преференциален произход[2].

Spanish version

El exportador de los productos incluidos en el presente documento (autorización aduanera n° .. …[1].) declara que, salvo indicación en sentido contrario, estos productos gozan de un origen preferencial. …[2].

Czech version

Vývozcevýrobkůuvedených v tomto dokumentu (číslopovolení …[1]) prohlašuje, žekromězřetelněoznačených, majítytovýrobkypreferenčnípůvod v …[2].

Danish version

Eksportøren af varer, der er omfattet af nærværende dokument, (toldmyndig hedernes tilladelse nr. ...[1]), erklærer, at varerne, medmindre andet tydeligt er angivet, har præferenceoprindelse i ...[2].

German version

Der Ausführer (Ermächtigter Ausführer; Bewilligungs-Nr. ...[1]) der Waren, auf die sich dieses Handelspapier bezieht, erklärt, dass diese Waren, soweit nicht anderes angegeben, präferenzbegünstigte ...[2] Ursprungswaren sind.

Estonian version

Käesolevadokumendigahõlmatudtoodeteeksportija (tolliametikinnitusnr. ...[1]) deklareerib, et needtooted on ...[2]sooduspäritoluga, väljaarvatudjuhulkui on selgeltnäidatudteisiti.

Greek version

Ο εξαγωγέας των προϊόντων που καλύπτονται από το παρόν έγγραφο (άδεια τελωνείου υπ΄αριθ. ...[1]) δηλώνει ότι, εκτός εάν δηλώνεται σαφώς άλλως, τα προϊόντα αυτά είναι προτιμησιακής καταγωγής ...[2].

English version

The exporter of the products covered by this document (customs authorization No ...[1]) declares that, except where otherwise clearly indicated, these products are of ...[2] preferential origin

French version

L'exportateur des produits couverts par le présent document (autorisation douanière n° ...[1]) déclare que, sauf indication claire du contraire, ces produits ont l'origine préférentielle ...[2].

Croatian version

Izvoznik proizvoda obuhvaćenih ovom ispravom (carinsko ovlaštenje br. .....[1]) izjavljuje da su, osim ako je to drugačije izričito navedeno, ovi proizvodi .....[2] preferencijalnog podrijetla.

Italian version

L'esportatore delle merci contemplate nel presente documento (autorizzazione doganale n. ...[1]) dichiara che, salvo indicazione contraria, le merci sono di origine preferenziale ...[2].

Latvian version

Eksportētājsproduktiem, kuriietvertišajādokumentā (muitaspilnvara Nr. …[1]), deklarē, ka, iznemottur, kurircitādiskaidrinoteikts, šiemproduktiemirpriekšrocībuizcelsme no …[2].

Lithuanian version

Šiamedokumenteišvardintųprekiųeksportuotojas (muitinėsliudijimo Nr …[1]) deklaruoja, kad, jeigukitaipnenurodyta, taiyra …[2] preferencinėskilmėsprekės.

Hungarian version

A jelenokmánybanszereplőárukexportőre (vámfelhatalmazásiszám: …[1]) kijelentem, hogyeltérőjelzéshianyábanazárukkedvezményes …[2] származásúak.

Maltese version

L-esportatur tal-prodotti kopertib'dan id-dokument (awtorizzazzjonitad-dwananru. …[(1)]) jiddikjara li, ħlieffejnindikatb'modċar li mhuxhekk, dawn il-prodotti huma ta' oriġinipreferenzjali …[(2)].

Dutch version

De exporteur van de goederen waarop dit document van toepassing is (douanevergunning nr. ...[(1)]), verklaart dat, behoudens uitdrukkelijke andersluidende vermelding, deze goederen van preferentiële ... oorsprong zijn[(2)].

Polish version

Eksporter produktów objętych tym dokumentem (upoważnienie władz celnych nr …[(1)]) deklaruje, że z wyjątkiem gdzie jest to wyraźnie określone, produkty te mają …[(2)] preferencyjne pochodzenie.

Portuguese version

O abaixo assinado, exportador dos produtos cobertos pelo presente documento (autorização aduaneira n°. ...[(1)]), declara que, salvo expressamente indicado em contrário, estes produtos são de origem preferencial ...[(2)].

Romanian version

Exportatorulproduselorcefacojiectulacestuidocument (autorizaţiavamalânr. …[(1)]) declară cá, exceptândcazulîncareînmodexpres este indicataltfel, acesteprodusesunt de origine preferenţialā …[(2)].

Slovenian version

Izvoznikblaga, zajetega s tem dokumentom (pooblastilocarinskihorganovšt …[(1)]) izjavlja, da, razenče ni drugačejasnonavedeno, ima to blagopreferencialno …[(2)] poreklo.

Slovak version

Vývozcavýrobkovuvedených v tomtodokumente (číslopovolenia …[(1)]) vyhlasuje, žeokremzreteľneoznačených, majútietovýrobkypreferenčnýpôvod v …[(2)].

Finnish version

Tässä asiakirjassa mainittujen tuotteiden viejä (tullin lupa n:o ...[(1)]) ilmoittaa, että nämä tuotteet ovat, ellei toisin ole selvästi merkitty, etuuskohteluun oikeutettuja ... alkuperätuotteita[(2)].

Swedish version

Exportören av de varor som omfattas av detta dokument (tullmyndighetens tillstånd nr. ...[(1)]) försäkrar att dessa varor, om inte annat tydligt markerats, har förmånsberättigande ... ursprung[(2)].

……[3]

(Place and date)

……[4]

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

---

(1) When the invoice declaration is made out by an approved exporter, the authorisation number of the approved exporter shall be entered in this space. When the invoice declaration is not made out by an approved exporter, the words in brackets shall be omitted or the space left blank.

(2) Origin of products to be indicated. When the invoice declaration relates, in whole or in part, to products originating in Ceuta and Melilla, the exporter shall clearly indicate them in the document on which the declaration is made out by means of the symbol "CM".

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

(4) In cases where the exporter is not required to sign, the exemption of signature also implies the exemption of the name of the signatory.

ANNEX VII to Protocol 1

SPECIMENS OF A CERTIFICATE OF ORIGIN AND OF AN APPLICATION FOR A CERTIFICATE OF ORIGIN

Printing instructions

1. Each form shall measure 210 x 297 mm; a tolerance of up to minus 5 mm or plus 8 mm in the length may be allowed. The paper used shall be white, sized for writing, not containing mechanical pulp and weighing not less than 25 g/m^2. It shall have a printed green guilloche pattern background making any falsification by mechanical or chemical means apparent to the eye.

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

SPECIMEN OF A CERTIFICATE OF ORIGIN

<table>
<tr><td colspan="4">MOVEMENT CERTIFICATE</td></tr>
<tr><td colspan="2">1. Exporter (Name, full address, country)</td><td colspan="2">EUR.1 No
See notes overleaf before completing this form.</td></tr>
<tr><td colspan="2" rowspan="2">3. Consignee (Name, full address, country) (Optional)</td><td colspan="2">2. Certificate used in preferential trade between
European Union
and
Socialist Republic of Viet Nam</td></tr>
<tr><td>4. Country, group of countries or territory in which the products are considered as originating</td><td>5. Country, group of countries or territory of destination</td></tr>
<tr><td colspan="2">6. Transport details (Optional)</td><td colspan="2">7. Remarks</td></tr>
<tr><td colspan="2">8. Item number; Marks and numbers; Number and kind of packages(1); Description of goods</td><td>9. Gross mass (kg) or other measure (litres, m^3, etc.)</td><td>10. Invoices (Optional)</td></tr>
<tr><td colspan="2">11. CUSTOMS OFFICE (EU) or ISSUING AUTHORITIES (VN) ENDORSEMENT
Declaration certified
Export document(2)
Form …… No …..……..
Of …….
Customs office/Issuing authority ……..…
Issuing country or territory ……. Stamp
…….
…….
Place and date …….
…….
…….
(Signature)</td><td colspan="2">12. DECLARATION BY THE EXPORTER
I, the undersigned, declare that the goods described above meet the conditions required for the issue of this certificate.
Place and date …….....
.....
(Signature)</td></tr>
</table>

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

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

13. REQUEST FOR VERIFICATION, to	14. RESULT OF VERIFICATION
	Verification carried out shows that this certificate [1] ☐ was issued by the customs office (EU) or issuing authority (VN) indicated and that the information contained therein is accurate. ☐ does not meet the requirements as to authenticity and accuracy (see remarks appended).
Verification of the authenticity and accuracy of this certificate is requested. ..... (Place and date) Stamp .....…… (Signature)	.....…….. (Place and date) Stamp .....… (Signature) _____ [1] Insert X in the appropriate box.

NOTES

1. Certificate shall not contain erasures or words written over one another. Any alterations must be made by deleting the incorrect particulars and adding any necessary corrections. Any such alteration must be initialled by the person who completed the certificate and endorsed by the Customs authorities (EU) or issuing authority (VN) of the issuing country or territory.

2. No spaces shall be left between the items entered on the certificate and each item must be preceded by an item number. A horizontal line must be drawn immediately below the last item. Any unused space must be struck through in such a manner as to make any later additions impossible.

3. Goods shall be described in accordance with commercial practice and with sufficient detail to enable them to be identified.

SPECIMEN OF AN APPLICATION FOR A CERTIFICATE OF ORIGIN

APPLICATION FOR A MOVEMENT CERTIFICATE

<table>
<tr><td rowspan="2">1. Exporter (Name, full address, country)</td><td colspan="3">EUR.1 No</td></tr>
<tr><td colspan="3">See notes overleaf before completing this form.</td></tr>
<tr><td rowspan="2">3. Consignee (Name, full address, country) (Optional)</td><td colspan="3">2. Application for a certificate to be used in preferential trade between
European Union
and
Socialist Republic of Viet Nam</td></tr>
<tr><td>4. Country, group of countries or territory in which the products are considered as originating</td><td colspan="2">5. Country, group of countries or territory of destination</td></tr>
<tr><td>6. Transport details (Optional)</td><td colspan="3">7. Remarks</td></tr>
<tr><td>8. Item number; Marks and numbers; Number and kind of packages(1) Description of goods</td><td colspan="2">9. Gross mass (kg) or other measure (litres, m3., etc.)</td><td>10. Invoices
(Optional)</td></tr>
</table>

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

DECLARATION BY THE EXPORTER

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

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

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

……

……

……

SUBMIT the following supporting documents(1):

……

……

……

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

REQUEST the issuance of the attached certificate for these goods.

……

(Place and date)

……

(Signature)

---

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

ANNEX VIII to Protocol 1

EXPLANATORY NOTES

1. For the purpose of subparagraph (e) of Article 1 (Definitions) the "exporter" is not necessarily the person (the seller) that issues the sales invoice for the consignment (third party invoicing). The seller can be located in the territory of a non-Party to this Agreement.

2. For the purpose of subparagraph 1(b) of Article 4 (Wholly Obtained Products) "plants and vegetable products" includes, in particular, live trees, flowers, fruits, vegetables, seaweeds and fungi.

3. For the purpose of Article 11 (Accounting Segregation) "general accounting principles" means the recognised consensus or substantial authoritative support in the territory of a Party, with respect to the recording of revenues, expenses, costs, assets and liabilities; the disclosure of information; and the preparation of financial statements. Those standards may encompass broad guidelines of general application as well as detailed standards, practices and procedures.

4. For the purpose of paragraph 4 of Article 13 (Non-Alteration) "in case of doubt" means that the importing Party has the discretion of determining the cases for which the declarant is requested to provide evidence of compliance with Article 13 (Non-Alteration) but it cannot routinely require the submission of that evidence.

5. For the purpose of paragraph 1 of Article 17 (Certificates of Origin Issued Retrospectively) "in writing" includes an application being made by electronic means.

6. For the purpose of paragraph 3 of Article 17 (Certificates of Origin Issued Retrospectively) "to submit at any time, at the request of the competent authorities of the exporting Party, all appropriate documents" covers both the situation whereby the competent authorities request systematically the submission of all supporting documents as well as the situation whereby the competent authorities only make targeted requests for the submission of the supporting documents.

7. For the purpose of paragraph 3 of Article 21 (Validity of Proofs of Origin) "another commercial document" can be, for example, an accompanying delivery note, a pro-forma invoice or a packing list. A transport document, such as a bill of lading or an airway bill, shall not be considered as another commercial document. An origin declaration on a separate form is not permitted. The origin declaration may be submitted on a separate sheet of the commercial document when the sheet is an obvious part of this document.

8. As regards the application of Article 30 (Verification of Proofs of Origin), the customs authorities of the exporting country shall endeavour to inform the importing authorities about the receipt of the verification request. They may do so in any form, including by means of electronic communication. They shall also endeavour to inform the requesting authorities in case they need more time than the period of 10 months provided for in paragraph 6 of Article 30 (Verification of Proofs of Origin) to carry out the verification and provide a reply.

9. As regards the application of paragraph 6 of Article 30 (Verification of Proofs of Origin), the requesting competent authorities shall verify with the requested competent authorities whether they have effectively received the request before refusing the entitlement to preferential tariff treatment.

PROTOCOL 2

ON MUTUAL ADMINISTRATIVE ASSISTANCE IN CUSTOMS MATTERS

ARTICLE 1

Definitions

For the purposes of this Protocol:

(a) "customs legislation" means any legal or regulatory provision applicable in the territories of the Parties, as defined in their respective legislation, governing the import, export and transit of goods and their placement under any other customs regime or procedure, including transhipment and measures of prohibition, restriction and control;

(b) "customs violation" means any violation or attempted violation of customs legislation;

(c) "personal data" means all information relating to an identified or identifiable individual;

(d) "requested authority" means a competent administrative authority which has been designated by a Party for this purpose and which receives a request for assistance on the basis of this Protocol;

(e) "requesting authority" means a competent administrative authority which has been designated by a Party for this purpose and which makes a request for assistance on the basis of this Protocol.

ARTICLE 2

Scope

1. The Parties shall assist each other in customs matters, in accordance with their legislation and in the manner and under the conditions laid down in this Protocol, to ensure the correct application of customs legislation, in particular by preventing, investigating and combating customs violations.

2. Assistance in customs matters, as provided for in this Protocol, applies to any administrative authority of the Parties which is competent for the application of this Protocol. That assistance shall not prejudice the rules governing mutual assistance in criminal matters. It shall not cover information obtained under powers exercised at the request of a judicial authority, except where communication of such information is authorised by that authority.

3. All assistance given in the framework of this Protocol shall be executed in accordance with the legal and regulatory provisions of each Party.

4. Assistance to recover duties, taxes or fines is not covered by this Protocol.

ARTICLE 3

Assistance on Request

1. At the request of the requesting authority, the requested authority shall provide it with all relevant information for the purpose of ensuring the proper application of customs legislation, including information on noted or planned activities that constitute or could constitute customs violations.

2. At the request of the requesting authority, the requested authority shall inform it:

(a) whether goods exported from the territory of a Party have been properly imported into the territory of the other Party, specifying, where appropriate, the customs procedure applied to the goods; and

(b) whether goods imported into the territory of a Party have been properly exported from the territory of the other Party, specifying, where appropriate, the customs procedure applied to the goods.

3. At the request of the requesting authority, the requested authority shall, within the framework of its legal or regulatory provisions, take the necessary steps to ensure special surveillance of:

(a) natural or legal persons in respect of whom there are reasonable grounds for believing that they are or have been involved in customs violations;

(b) places where stocks of goods have been or may be assembled in such a way that there are reasonable grounds for believing that those goods are intended to be used in customs violations;

(c) goods that are or may be transported in such a way that there are reasonable grounds for believing that they are intended to be used in customs violations; and

(d) means of transport that are or may be used in such a way that there are reasonable grounds for believing that they are intended to be used in customs violations.

ARTICLE 4

Spontaneous Assistance

The Parties shall assist each other on their own initiative and in accordance with their respective domestic laws and regulations if they consider that assistance is necessary for the proper application of customs legislation by the other Party, particularly by providing information relating to:

(a) activities which are or appear to be customs violations and which may be of interest to the other Party;

(b) new means of, or methods employed in, carrying out customs violations;

(c) goods known to be subject to customs violations;

(d) natural or legal persons in respect of whom there are reasonable grounds for believing that they are or have been involved in customs violations; and

(e) means of transport in respect of which there are reasonable grounds for believing that they have been, are, or may be used in customs violations.

ARTICLE 5

Delivery and Notification

At the request of the requesting authority, the requested authority, in accordance with the legal or regulatory provisions applicable to that authority, shall take all necessary measures in order to deliver any documents, or to notify any decisions, of the requesting authority, and falling within the scope of this Protocol, to an addressee residing or established in the territory of the requested authority.

Requests for delivery of documents or notification of decisions shall be made in writing in an official language of the requested authority or in a language acceptable to that authority.

ARTICLE 6

Form and Substance of Requests for Assistance

1. Requests pursuant to this Protocol shall be made in writing. They shall be accompanied by the documents necessary to enable compliance with the request. When required because of the urgency of the situation, the requested authority may accept an oral request, but such request shall be immediately confirmed by the requesting authority in writing.

2. Requests pursuant to paragraph 1 shall include the following information:

(a) the requesting authority;

(b) the measure requested;

(c) the object of and the reason for the request;

(d) the legal or regulatory provisions and other legal elements involved;

(e) indications, as exact and comprehensive as possible, on the natural or legal persons who are the target of the investigations; and

(f) a summary of the relevant facts and of the enquiries already carried out.

3. Requests shall be submitted in an official language of the requested authority or in a language acceptable to that authority. This requirement does not apply to any documents that accompany the request under paragraph 1.

4. If a request does not meet the formal requirements set out in paragraphs 1 to 3, its correction or completion may be requested and precautionary measures may be ordered in the meantime.

ARTICLE 7

Execution of Requests

1. In order to comply with a request for assistance, the requested authority shall proceed, within the limits of its competence and available resources, as though it were acting on its own account or at the request of other authorities of that same Party, by supplying information already in its possession, by carrying out appropriate enquiries or by arranging for them to be carried out. If the requested authority addresses the request to another authority because it cannot act alone, this paragraph shall also apply to that other authority.

2. Requests for assistance shall be executed in accordance with the legal or regulatory provisions of the requested Party.

3. Duly authorised officials of a Party may, with the agreement of the other Party and subject to the conditions laid down by the latter, be present in the offices of the requested authority or any other authority concerned to obtain information, in accordance with paragraph 1, which relates to activities that constitute or could constitute customs violations and which the requesting authority needs for the purposes of this Protocol.

4. Duly authorised officials of a Party may, with the agreement of the other Party and subject to the conditions laid down by the latter, be present at enquiries carried out in the latter's territory.

ARTICLE 8

Form in which Information is to be Communicated

1. The requested authority shall communicate the results of enquiries to the requesting authority in writing together with relevant documents, certified copies or other items.

2. This information may be provided in electronic format.

ARTICLE 9

Exceptions to the Obligation to Provide Assistance

1. Assistance may be refused or may be subject to certain conditions or requirements in cases where a Party considers that assistance under this Protocol would:

(a) be likely to prejudice the sovereignty of Viet Nam or that of a Member State which has been requested to provide assistance under this Protocol;

(b) be likely to prejudice public policy, security or other essential interests, in particular in the cases referred to in paragraph 2 of Article 10 of this Protocol; or

(c) violate an industrial, commercial or professional secret.

2. Assistance may be postponed by the requested authority on the grounds that it will interfere with an ongoing investigation or prosecution, or with ongoing proceedings. In such a case, the requested authority shall consult with the requesting authority to determine if assistance can be given subject to such terms or conditions as the requested authority may require.

3. Where the requesting authority seeks assistance which it would itself be unable to provide if so requested, it shall draw attention to that fact in its request. It shall then be for the requested authority to decide how to respond to such a request.

4. In the cases referred to in paragraphs 1 and 2, the decision of the requested authority and the reasons therefor must be communicated to the requesting authority without delay.

ARTICLE 10

Information Exchange and Confidentiality

1. Any information communicated in whatsoever form pursuant to this Protocol shall be of a confidential or restricted nature, in accordance with the laws and regulations applicable in each Party. It shall be covered by the obligation of official secrecy and shall enjoy the protection extended to similar information under the relevant laws and regulations of the Party receiving the information.

2. Personal data may be exchanged only where the Party which may receive them undertakes to protect such data in a manner that is considered adequate by the Party which may supply them.

3. The use of information obtained under this Protocol in administrative proceedings or subsequent appeal proceedings instituted in respect of customs violations is considered to be for the purposes of this Protocol. Therefore, the Parties may, in their records of evidence, reports, testimonies and in such proceedings, use as evidence information obtained and documents consulted in accordance with this Protocol. The requested authority which supplied that information or gave access to those documents shall be notified of such use.

4. Information obtained shall be used solely for the purposes of this Protocol. If a Party wishes to use such information for other purposes, it shall obtain the prior written consent of the authority which provided the information. Such use shall then be subject to any restriction laid down by that authority.

ARTICLE 11

Assistance Expenses

The Parties shall waive all claims against each other for the reimbursement of expenses incurred pursuant to this Protocol, except, as appropriate, those for interpreters and translators who are not public service employees.

ARTICLE 12

Implementation

1. The implementation of this Protocol shall be entrusted, on the one hand, to the customs authorities of Viet Nam and, on the other hand, to the competent services of the European Commission and the customs authorities of the Member States, as appropriate. They shall decide on all practical measures and arrangements necessary for its application, taking into consideration the rules in force in particular in the field of data protection.

2. The Parties shall consult each other and subsequently keep each other informed of the detailed rules of implementation which are adopted in accordance with this Protocol.

ARTICLE 13

Other Agreements

1. Taking into account the respective competences of the Union and its Member States, the provisions of this Protocol shall:

(a) not affect the obligations of the Parties under any other international agreement or convention;

(b) be deemed complementary to agreements on mutual assistance which have been or may be concluded between individual Member States and Viet Nam; and

(c) not affect the provisions of Union law governing the communication between the competent services of the European Commission and the customs authorities of the Member States of any information obtained under this Protocol which could be of interest to the Union.

2. Notwithstanding paragraph 1, the provisions of this Protocol shall take precedence over the provisions of any bilateral agreement on mutual assistance which has been or may be concluded between individual Member States and Viet Nam insofar as the provisions of the latter are incompatible with those of this Protocol.

3. In respect of questions relating to the application of this Protocol, the Parties shall consult each other to resolve the matter in the framework of the Committee on Customs, established pursuant to Article 17.2 (Specialised Committees) of this Agreement.

UNDERSTANDING

CONCERNING SPECIFIC COMMITMENTS
ON DISTRIBUTION SERVICES FOR WINE AND SPIRITS

The following Understanding was reached between the delegations of the Union and Viet Nam during the course of negotiations of this Agreement regarding specific commitments on distribution services[1] for wine and spirits[2]:

1. Viet Nam shall not:

   (a) apply any discriminatory quantitative or qualitative restrictions, whether vertical or horizontal, on licensing of any type of distribution services for wine on a regional or nationwide basis;

   (b) discriminate between Union and local service suppliers of any type of distribution services for wine; and

   (c) require any other types of licences than the ones describing each type of distribution services for wine.

[1] For the purposes of this Understanding, the term "distribution services" means commission agents' services, wholesale trade services and retailing services.

[2] For greater certainty, beers are excluded from the scope of this Understanding.

2. For further clarity, the Union's service suppliers are entitled to engage in all types of distribution services for wine not only on a regional but also on a nationwide basis. Viet Nam shall, therefore, not apply any discriminatory measure which restricts the right of service providers to hold a single licence for the provision of all types of distribution services for wine on a regional or nationwide basis or which restricts a provider from holding by himself separate licences for the provision of all distribution services for wine in the same geographical area.

3. The conditions of ownership, operation and juridical form and scope of activities as set out in the respective licences or in any other form of approval establishing or authorising the operation or supply of distribution services for spirits by an existing service supplier of the Union shall not be more restrictive than those applied at the date of entry into force of this Agreement.

UNDERSTANDING

CONCERNING BANK EQUITY

1. With respect to capital contribution in the form of buying shares of commercial banks, within five years from the date of entry into force of this Agreement, Vietnamese authorities shall favourably consider the proposal by the Union's financial institutions to allow the total equity held by foreign investors in two joint-stock commercial banks of Viet Nam of up to 49 per cent of the enterprise's chartered capital.

2. Paragraph 1 does not apply to four commercial banks in which the Government of Viet Nam is currently holding the majority of equity, namely the Bank for Investment and Development of Viet Nam - BIDV, the Viet Nam Joint Stock Commercial Bank for Industry and Trade - Vietinbank, the Joint Stock Commercial Bank for Foreign Trade of Viet Nam - Vietcombank and the Viet Nam Bank for Agriculture and Rural Development (Agribank).

3. Paragraph 1 applies subject to a mutual and voluntary agreement between relevant joint stock commercial banks of Viet Nam and the financial institutions of the Union.

4. The acquisition of the equity by financial institutions of the Union in the two joint-stock commercial banks in Viet Nam referred to in paragraph 1 shall be in full compliance with the relevant merger and acquisition procedures as well as other prudential and competition requirements, including limitations or caps on the percentage of ownership of shares applicable to each individual or institutional investor on national treatment basis, under the laws and regulations of Viet Nam.

5. This Understanding shall not be subject to Section B (Resolution of Disputes between Investors and Parties) of Chapter 3 (Dispute Settlement) of the Investment Protection Agreement between the European Union and its Member States, of the one part, and the Socialist Republic of Viet Nam, of the other part.

JOINT DECLARATION

CONCERNING THE PRINCIPALITY OF ANDORRA

1. Products originating in the Principality of Andorra falling within Chapters 25 to 97 of the HS shall be accepted by Viet Nam as originating in the Union within the meaning of this Agreement.

2. Paragraph 1 applies provided that, by virtue of the customs union established by the agreement in the form of an exchange of letters of 28 June 1990 between the European Economic Community and the Principality of Andorra, the Principality of Andorra applies to products originating in Viet Nam the same preferential tariff treatment as the Union applies to such products.

3. Protocol 1 Concerning the Definition of the Concepts of "Originating Products" and Methods of Administrative Cooperation applies *mutatis mutandis* for the purpose of defining the originating status of the products referred to in paragraph 1.

JOINT DECLARATION

CONCERNING THE REPUBLIC OF SAN MARINO

1. Products originating in the Republic of San Marino shall be accepted by Viet Nam as originating in the Union within the meaning of this Agreement.

2. Paragraph 1 applies provided that, by virtue of Agreement on Cooperation and Customs Union between the European Community and the Republic of San Marino, signed in Brussel on 16 December 1991, the Republic of San Marino applies to products originating in Viet Nam the same preferential tariff treatment as the Union applies to such products.

3 Protocol 1 Concerning the Definition of the Concepts of "Originating Products" and Methods of Administrative Cooperation applies *mutatis mutandis* for the purpose of defining the originating status of the products referred to in paragraph 1.

JOINT DECLARATION

REGARDING THE REVISION OF THE RULES OF ORIGIN CONTAINED IN PROTOCOL 1 CONCERNING THE DEFINITION OF THE CONCEPT OF "ORIGINATING PRODUCTS" AND METHODS OF ADMINISTRATIVE COOPERATION

1. The Parties agree to review the rules of origin contained in Protocol 1 Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation and to discuss the necessary amendments upon request of either Party.

2. Annexes II to IV to Protocol 1 Concerning the Definition of the Concept of "Originating Products" and Methods of Administrative Cooperation shall be adapted in accordance with the periodical changes to the HS.

JOINT DECLARATION

CONCERNING CUSTOMS UNIONS

The Union recalls the obligations of the countries that have established a customs union with the Union to align their trade regime to that of the Union and, for certain of them, to conclude preferential agreements with countries that have preferential agreements with the Union.

In this context, the Parties note that Viet Nam shall favourably consider starting negotiations with those countries:

(a) which have established a customs union with the Union, and

(b) whose products do not benefit from the tariff concessions under this Agreement,

with a view to concluding bilateral agreements establishing free trade areas in accordance with Article XXIV of GATT 1994. Viet Nam shall favourably consider starting negotiations as soon as possible with a view to having those agreements entering into force as soon as possible after the entry into force of this Agreement.