

EUROPEAN UNION-MERCOSUR

NEGOTIATIONS

RULES OF ORIGIN

COMMON INTEGRATED NEGOTIATING TEXT

SECTION A

RULES OF ORIGIN

Article 1

Definitions

For the purposes of this Protocol:

- a) "chapters", "headings" and "subheadings" mean the chapters (two-digit codes) and the headings (four-digit codes) and subheadings (six digit codes) used in the nomenclature which makes up the Harmonized Commodity Description and Coding System, referred to in this Protocol as "the Harmonized System" or "HS";
- b) "classified" refers to the classification of a product or material under a particular heading or subheading;
- 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 authority or competent governmental authority" refers to the customs authorities in the European Union and to the competent authorities in Mercosur: Argentina: Ministerio de Producción, Secretaria de Comercio, Brasil:Ministério do Desenvolvimento, Indústria e Comércio Exterior and Ministério da FazendaSecretaria da Receita Federal do Brasil;Paraguay: Ministerio de Industria y Comercio, Viceministerio de Comercio;Uruguay: Ministerio de Economía y Finanzas, Asesoría de Política Comercial
- e) "ex-works price" means the price paid for the product ex works to the manufacturer in the European Union or Mercosur in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used, minus any internal taxes which are, or may be, repaid when the product obtained is exported;
- f) "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;
- g) "goods" means both materials and products; "customs value" means the value as determined in accordance with the 1994 Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade (WTO) Agreement on customs valuation;
- h) "manufacture" means any kind of working or processing including assembly or specific operations;
- i) "material" means any raw material, component or part, etc., used in the manufacture of the product;

- j) "product" means the manufactured or finished product, even if it is intended for later use in another manufacturing operation;
- k) "value of materials" means the customs value at the time of importation of the non-originating materials used including the freight and insurance to the place of introduction into the EU or Mercosur or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in the European Union or Mercosur;
- l) "value of originating materials" means the value of such materials as defined in subparagraph (g) applied mutatis mutandis;

Article 2

General requirements

1. For the purpose of implementing Chapter 1 of Title X of this Agreement, the following products shall be considered as originating in the European Union:
 - (a) products wholly obtained in the European Union within the meaning of Article 4;
 - (b) products obtained in the European Union incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in the European Union within the meaning of Article 5;
2. For the purpose of implementing Chapter 1 of Title X of this Agreement, the following products shall be considered as originating in Mercosur:
 - (a) products wholly obtained in Mercosur within the meaning of Article 4;
 - (b) products obtained in Mercosur incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in Mercosur within the meaning of Article 5.

Article 3

Bilateral cumulation of origin

1. Goods originating in the European Union shall be considered as goods originating in Mercosur when incorporated into a product obtained there. It shall not be necessary that such goods have undergone sufficient working or processing, within the meaning of Article 5, provided they have undergone working or processing going beyond the operations referred to in Article 6.
2. Goods originating in Mercosur shall be considered as goods originating in the European Union when incorporated into a product obtained there. It shall not be necessary that such goods have undergone sufficient working or processing, within the

meaning of Article 5, provided they have undergone working or processing going beyond the operations referred to in Article 6.

Article 4
Wholly obtained products

1. The following shall be considered as wholly obtained products either in the European Union or in Mercosur¹:

- (a) mineral products and other natural substances extracted from their soil or from their seabed;
- (b) plants and vegetable products grown or harvested 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, molluscs and other aquatic invertebrates are born and raised there;
- (h) [MCS: products of fishing and other products taken from the sea within the Exclusive Economic Zones of the Parties, as defined in the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and in the laws and regulations of the respective Signatory Party]
- (i) [MCS: products of fishing and other products taken from the sea within the Continental shelf of the Parties, as defined in the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and in the laws and regulations of the respective Signatory Party]
- (j) products of fishing and other products taken from the ~~[MCS: high seas] [EU: sea outside any territorial seas]~~ by their vessels;
- (k) products made aboard their factory ships exclusively from products referred to in subparagraph (j);
- (l) products extracted from seabed or subsoil [of the Exclusive Economic Zone of the Parties, as defined in the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and in the laws and regulations of the respective Signatory Party] MCS;
- [(12) products extracted from seabed or subsoil of the Continental Shelf of the Parties, as defined in the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and in the laws and regulations of the respective Signatory Party] MCS;
- [(13) products extracted from seabed or subsoil] MCS outside the [territorial seas] EU [Continental Shelf of the Parties] MCS, provided that they have sole rights to work that soil or subsoil , in accordance with United Nations Convention on the Law of the Sea (UNCLOS).
- (m) used articles collected there fit only for the recovery of raw materials,

¹ Clause depends on content of Article XXX:6.[EU to double check on the need of this footnote]

- (n) waste and scrap resulting from manufacturing operations conducted there²;
- (o) goods produced there exclusively from the products specified in subparagraphs (a) to (n) .

2. The terms "their vessels" and "their factory ships" in subparagraphs 1(j) and (k) shall apply only to vessels and factory ships:

- (a) which are registered in a Member State of the European Union or in Mercosur [MCS: and have fishing licences issued by a member state of MERCOSUR or the European Union in the name of fishing companies duly (registered to operate / incorporated) in that member state]
 - (b) which sail under the flag of a [MCS: of the same registering] Member State of the European Union or of Mercosur [MCS: or, in the case of chartered vessels, the fishing licenses are issued by the same Member State in which the vessel is chartered;]
 - (c) which meet one of the following conditions:
 - (i) they are at least 50% owned by nationals of the Member States of the European Union or MERCOSUR; or
 - (ii) they are owned by companies which have their head office and their main place of business in the Member States of the European Union or MERCOSUR and which are at least 50% owned by Member States of the European Union or MERCOSUR or public entities or nationals of the Member States of the European Union or MERCOSUR;
- [MCS: or, (iii) they have at least 50% of the crew members as nationals of Member States of the European Union or of Mercosur.]
- [EU: (d) of which the master and officers are nationals of Member States of the European Union or of Mercosur; and
- (e) of which at least 75 per cent of the crew are nationals of Member States of the European Union or of Mercosur.]

Article 5

Sufficiently worked or processed products

1. For the purposes of Article 2, products which are not wholly obtained are considered to be sufficiently worked or processed when the conditions set out in the list in Annex II are fulfilled.³

The conditions referred to above 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. Accordingly, it follows

² Provisions of letters (m) and (o) are without prejudice to national legislation regarding the import of the goods mentioned therein.

³ Such conditions may inter alia consist of: value related criteria; change of tariff classification; prohibition of using certain non-originating materials; specific operations; a combination of any of the above; or any other requirement set out in Annex II.

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

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

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

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

3. For the products classified on the chapters 50 to 63 of the Harmonised System tolerances apply as stipulated in notes 6 and 7 of Annex I (introductory notes).

4. Paragraphs 1 and 2 shall apply except as provided in Article 6.

Article 6

Insufficient working or processing operations

1. Without prejudice to paragraph 2, the following operations shall be considered as insufficient working or processing to confer the status of originating products, whether or not the requirements of Article 5 are satisfied:

- (a) preserving operations to ensure that the products remain in good condition during transport and storage;
- (b) changes of packaging and breaking-up and assembly of packages;
- (c) washing, cleaning, the removal of dust, oxide, oil, paint or other coverings;
- (d) ironing or pressing of textiles;
- (e) simple painting and polishing operations;
- (f) husking, partial or total bleaching, polishing, and glazing of cereals and rice;
- (g) operations to colour 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, separating or simple cutting;
- (j) sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles);
- (k) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
- (l) affixing or printing marks, labels, logos and other similar 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 assembly of non-originating parts to constitute a complete product or disassembly of products into parts;
- (o) simple addition of water or dilution or dehydration or denaturation of products;
- (p) a combination of two or more operations specified in subparagraphs (a) to (o);
- (q) slaughter of animals.

2. All operations carried out either in the European Union or in Mercosur on a given product shall be taken into account when determining whether the working or processing undergone by that product is to be regarded as insufficient within the meaning of paragraph 1.

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

Article 7

Unit of qualification

1. The unit of qualification for the application of the provisions of this Protocol shall be the particular product as classified in accordance with the nomenclature of the Harmonised System.

Accordingly, it follows that:

- (a) when a product composed of a group or assembly of articles is classified under the terms of the Harmonised System in a single heading, the whole constitutes the unit of qualification;
- (b) when a consignment consists of a number of identical products classified under the same heading of the Harmonised System, each product must be taken individually when applying the provisions of this Protocol.

Article 8

Packaging materials, packing materials and containers

1. Where, under General Rule 5 of the Harmonised System, packaging is included with the product for classification purposes, it shall be included for the purposes of determining origin.
2. Packing materials and containers for shipment that are used to protect product during transportation shall be disregarded in determining the origin of that product.

Article 9

Accessories, spare parts and tools

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

Article 10

Accounting segregation

1. Where fungible originating and non-originating materials are used in the manufacture of a product, those materials shall be physically segregated, according to their origin, during storage.
2. However, physical segregation of fungible originating and non-originating materials is not needed in the manufacture of a product, when the origin of the products is determined pursuant to the so-called "accounting segregation" method for managing stocks.
3. This method is recorded and applied in accordance with the generally accepted accounting principles applicable in the Party where the product is manufactured.
4. The accounting segregation method may be used only if it can be ensured that, at any time, no more products receive originating status than would be the case if the materials had been physically segregated.

5. A Party may require that the application of the accounting segregation method referred to in paragraph 2 is subject to a prior authorisation by their customs authorities. The customs authorities may grant the authorisation subject to any conditions deemed appropriate and, in that case, they shall monitor the use of the authorisation and may withdraw it at any time whenever the beneficiary of the authorization makes improper use of it in any manner or fails to fulfil any of the other conditions laid down in this Protocol.

Article 11

Sets

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

Article 12

Neutral elements

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

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

Article 13

Principle of territoriality

1. The conditions set out in this Protocol relating to the acquisition of originating status must be fulfilled without interruption in the European Union or Mercosur.

2. If originating goods exported from the European Union or Mercosur to another country return, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities that:

- (a) the goods returned are the same as those exported;

and

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

Article 14

Transport conditions

1. The products declared for importation 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, prior to being declared for import. Storage of products or consignments and splitting of consignments may take place where carried out under the responsibility of the exporter or of a subsequent holder of the goods and the products remain under customs supervision in the country(ies) of transit.
2. Compliance with the first paragraph shall be considered as satisfied unless the customs authorities have reason to believe the contrary; in such cases, the customs authorities may request the declarant to provide evidence of compliance, which may be given by any means, including contractual transport documents such as bills of lading or factual or concrete evidence based on marking or numbering of packages or any evidence related to the goods themselves.

Article 15

Exhibitions

1. Originating products, sent for exhibition in a country other than the European Union or Mercosur and sold after the exhibition for importation in the European Union or Mercosur shall benefit on importation from the provisions of the Agreement provided it is shown to the satisfaction of the customs authorities of the importing country that:
 - (a) an exporter has consigned these products from the European Union or Mercosur 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 the European Union or Mercosur;
 - (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 Title V and submitted to the customs authorities of the importing country in the normal manner. The name and address of the exhibition must be indicated thereon.
3. Paragraph 1 shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display which is not organised for private purposes in shops or business premises with a view to the sale of foreign products, and during which the products remain under customs control.

EU:

Article 16

Prohibition of drawback of, or exemption from, customs duties

1. Non-originating materials used in the manufacture of products originating in the European Union or in Mercosur for which a proof of origin is issued or made out in accordance with the provisions of Title V shall not be subject in the European Union or Mercosur to drawback of, or exemption from, customs duties of whatever kind.
2. The prohibition in paragraph 1 shall apply to any arrangement for refund, remission or non-payment, partial or complete, of customs duties or charges having an equivalent effect, applicable in the European Union or Mercosur to materials used in the manufacture, where such refund, remission or non-payment applies, expressly or in effect, when products obtained from the said materials are exported and not when they are retained for home use there.
3. The exporter of products covered by a proof of origin shall be prepared to submit at any time, upon request from the customs authorities, all appropriate documents proving that no drawback has been obtained in respect of the non-originating materials used in the manufacture of the products concerned and that all customs duties or charges having equivalent effect applicable to such materials have actually been paid.
4. The provisions of paragraphs 1 to 3 shall also apply in respect of packaging within the meaning of Article 7(2), accessories, spare parts and tools within the meaning of Article 8 and products in a set within the meaning of Article 9 when such items are non-originating.
5. The provisions of paragraphs 1 to 4 shall apply only in respect of materials which are of the kind to which the Agreement applies.
6. Notwithstanding paragraph 1, Mercosur may apply arrangements for drawback of, or exemption from, customs duties or charges having an equivalent effect applicable to materials used in the manufacture of originating products, subject to the following provisions:
 - a) 4 per cent rate of customs charge shall be retained in respect of products falling within Chapters 25 to 49 and 64 to 97 of the Harmonised System or such lower rate as in force in Mercosur.
 - b) 8 per cent rate of customs charge shall be retained in respect of products falling within Chapters 50 to 63 of the Harmonised System or such lower rate as in force in Mercosur.
7. The provisions of paragraph 6 shall apply until XX XX XXXX.

SECTION B

ORIGIN PROCEDURES

Article 17

General requirements

Products originating in the European Union shall, on importation into Mercosur and products originating in Mercosur shall, on importation into the European Union benefit from this Agreement upon submission, as required by and in accordance with the procedures applicable in that Party, of a statement on origin made out in accordance with Article 16.⁴

Article 18

Conditions for making out a statement on origin

1. A statement on origin as referred to in Article 15 may be made out:
 - (a) by an exporter in accordance with the relevant legislation of the Party of export, or
 - (b) by any exporter for any small consignment consisting of one or more packages containing originating products whose total value does not exceed the threshold stipulated in the relevant legislation of the Party of export.
2. With regard to the relevant legislation referred to in paragraph 1, Parties agree to exchange information at the time of the entry into force of this Agreement, when there are any subsequent modifications, or upon request of either Party after the entry into force of this Agreement.
3. A statement on origin may be made out if the products concerned can be considered as products originating in the European Union or Mercosur and fulfil the other requirements of this Protocol.
4. The exporter making out a statement on origin shall be prepared to submit at any time, at the request of the customs authorities or competent governmental authorities of the Party of export, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Protocol.
5. A statement on origin, the text of which appears in Annex III, shall be made out by the exporter on the invoice, the delivery note or another commercial document that describes the originating product in sufficient detail to enable its identification using one of the linguistic versions as set out in Annex III and in accordance with the provisions of the domestic law of the Party of export.
6. A statement on origin shall bear the original signature of the exporter in manuscript unless otherwise provided in the relevant legislation of the Party of export.

⁴ A certificate of origin will be valid in accordance with the transitional measures contained in Annex IV of this Protocol, for the period specified therein.

7. A statement on origin may be made out by the exporter when the products to which it relates are exported, or after exportation on condition that it is presented in the Party of import no longer than two years after the importation of the products to which it relates.

Article 19

Validity of a statement on origin

1. A statement on origin shall be valid for 12 months from the date of issue in the Party of export, and must be submitted within the said period to the customs authorities of the Party of import.

2. Statements on origin which are submitted to the customs authorities of the Party of import after the final date for presentation specified in paragraph 1 may be accepted for the purpose of applying preferential treatment, where the failure to submit these documents by the final date set is due to exceptional circumstances.

3. In the other cases of belated presentation, the customs authorities of the Party of import may accept the proofs of origin where the products have been submitted before the said final date.

Article 20

Importation by instalments

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

Article 21

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 statement on origin, provided that such products are not imported by way of trade and have been declared as meeting the requirements of this Protocol and where there is no doubt as to the veracity of such a declaration. In the case of products sent by post, this statement can be made on the customs declaration CN22/CN23 or on a sheet of paper annexed to that document.

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

3. Furthermore, the total value of these products shall not exceed the values stipulated in the respective legislation of the Party of import. The Parties shall exchange information on those values.

Article 22

Supporting documents

The documents referred to in Article 16(4) used for the purpose of proving that products covered by a statement on origin can be considered as products originating in the European Union or in Mercosur and fulfil the other requirements of this Protocol may consist *inter alia* of the following:

- (a) direct evidence of the processes carried out by the exporter or supplier to obtain the goods concerned, contained for example in his accounts or internal book-keeping;
- (b) documents proving the originating status of materials used, issued or made out in the European Union or Mercosur where these documents are used in accordance with domestic law;
- (c) documents proving the working or processing of materials in the European Union or Mercosur, issued or made out in the European Union or Mercosur, where these documents are used in accordance with domestic law;
- (d) a statement on origin proving the originating status of materials used, issued or made out in the European Union or Mercosur in accordance with this Protocol.

Article 23

Preservation of a statement on origin and supporting documents

The exporter making out a statement on origin shall keep for at least three years a copy of this statement on origin as well as the documents referred to in Article 16(4).

Article 24

Discrepancies and formal errors

1. The discovery of slight discrepancies between the statements made in the statement on 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 because of that fact render the statement on origin null and void if it is duly established that this document does correspond to the products submitted.
2. Obvious formal errors on a statement on origin should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.

Article 26

Cooperation between customs authorities and competent governmental authorities

1. The customs authorities or competent governmental authorities of the Member States of the European Union and of the Member States of Mercosur shall provide each other, by communication between the European Commission and the Secretariat of Mercosur with the addresses of the customs or competent governmental authorities responsible for verifying a statement on origin.
2. In order to ensure the proper application of this Protocol, the European Union and Mercosur shall assist each other, through the competent administrations, in checking the authenticity of the statement on origin and the correctness of the information given in these documents.
3. To prevent, investigate and combat breaches in customs legislation, [MCS: including to ascertain fulfilment of the Agreement's requirements], the Protocol on Mutual Administrative Assistance in Customs Matters agreed between the European Union and Mercosur provides for cooperation between customs or competent governmental authorities, including the presence of duly authorised officials of one Party in the territory of the other, subject to the agreement and the appropriate conditions laid down by the Party in whose territory the assistance is being given.

Article 27

Verification of statements on origin

1. Subsequent verifications of statements on origin shall be carried out at random or whenever the customs authorities or competent governmental authorities of the Party of import have reasonable doubts as to the authenticity of such documents, the originating status of the products concerned or the fulfilment of the other requirements of this Protocol.
2. For the purposes of implementing the provisions of paragraph 1, the customs authorities or competent governmental authorities of the Party of import shall return the statement on origin, or a copy, to the customs authorities or competent governmental authorities of the Party of export giving the reasons for the enquiry. Any documents and information obtained suggesting that the information given on the statement on origin is incorrect shall be forwarded in support of the request for verification.
3. The request for verification, and the subsequent reply, shall be submitted in an official language of the customs authority or competent governmental authority of the Party of import requesting the verification, in a language acceptable to that Party or in accordance with Article 5(3) of the Protocol on Mutual Administrative Assistance in Customs Matters agreed between the European Union and Mercosur.
4. The verification shall be carried out by the customs authorities or competent governmental authorities of the Party of export. For this purpose, they shall have the right

to call for any evidence and to carry out any inspections of the exporter's accounts or any other check considered appropriate.

5. If the customs authorities or competent governmental authorities of the Party of import decide to suspend the granting of preferential treatment to the products concerned while awaiting the results of the verification, release of the products shall be offered to the importer subject to any precautionary measures judged necessary.

Any suspension of preferential treatment shall be terminated as soon as possible after the Party of import has determined the origin of the products.

6. The customs authorities or competent governmental authorities of the Party of import requesting the verification shall be informed of the results of this verification as soon as possible. The Party of export shall provide to the customs authorities or competent governmental authorities of the Party of import requesting the verification, the following information:

- (i) the results of the verification;
- (ii) the description of the product subject to verification and the tariff classification relevant to the application of the rule of origin;
- (iii) a description and explanation of the production sufficient to support the rationale concerning the originating status of the product;
- (iv) information on the manner in which the verification was conducted; and
- (v) where appropriate, supporting documentation.

7. If there is no reply within ten months of the date of the verification request or if the reply does not contain sufficient information to determine the authenticity of the document in question or the origin of the products, the requesting customs authorities or competent governmental authorities shall, except in exceptional circumstances, refuse entitlement to the preferences. The period of ten months may be extended by mutual agreement between the Parties taking into account the number of the verification requests and the complexity of the verifications.

8. The customs authorities or competent governmental authorities of the Party of import requesting the verification shall notify upon request of the customs authorities or competent government authorities of the Party of export about their decision on the verification process.

Article 28 **Consultations**

1. Where disputes arise in relation to the verification procedures of Article 27 and the customs authority or competent government authority of the Party of import intends to make a determination of origin that is not consistent with the reply in accordance with Article 27(6) provided by the customs authority or competent governmental authority of

the Party of export, the Party of import shall notify this intention to the Party of export within 60 days of receiving the reply in accordance with Article 27(6).

2. At the request of either Party, the Parties shall hold consultations within 90 days or within an agreed period of time from the date of the notification referred to in paragraph 1, with a view to resolving those differences. The period for consultation may be extended on a case by case basis by mutual written agreement between the Parties.

3. If there are differences in relation to the verification procedures which cannot be settled between the customs authorities or competent governmental authorities of the Party of import requesting a verification and the customs authorities or competent governmental authorities of the Party of export responsible for carrying out this verification or where they raise a question as to the interpretation of this Protocol, they shall be submitted to the [Committee on customs co-operation and rules of origin]

4. The customs authorities or competent governmental authorities of the Party of import requesting a verification may make its determination on origin after consultations in the [Committee on customs co-operation and rules of origin] and only on the basis of sufficient justification after having granted the importer the right to be heard. This determination shall be notified to the Party of export.

5. Nothing in this Article affects the procedures or the rights of the Parties under Chapter XXX (Dispute Settlement).

6. In all cases the settlement of disputes between the importer and the customs or competent governmental authorities of the Party of import shall be under the legislation of the said country.

Article 29

Penalties

In accordance with each Party's laws and regulations, penalties shall be imposed on any person who draws up, or causes to be drawn up, a document which contains incorrect information for the purpose of obtaining a preferential treatment for products.

SECTION C

FINAL PROVISIONS

[EU: Article 30

Ceuta and Melilla

1. For the purpose of this Chapter, in the case of the European Union, the term "Party" does not include Ceuta and Melilla.
2. Products originating in Mercosur, when imported into Ceuta or Melilla shall in all respects be subject to the same customs treatment under this Agreement as that which is applied to products originating in the customs territory of the European Union under

Protocol 2 of the Act of Accession of the Kingdom of Spain and the Portuguese Republic to the European Union. Mercosur shall grant to imports of products covered by the Agreement and originating in Ceuta and Melilla the same customs treatment as that which is granted to products imported from and originating in the European Union.

3. The rules of origin and origin procedures under this Protocol shall apply *mutatis mutandis* to products exported from Mercosur to Ceuta and Melilla and to products exported from Ceuta and Melilla to Mercosur.
4. Ceuta and Melilla shall be considered as a single territory.
5. The exporter or his authorized representative shall enter "Mercosur" and "Ceuta and Melilla" in field 2 of the text of the statement on origin, depending on the origin of the product.
6. The Spanish customs authorities shall be responsible for the application and implementation of this Protocol in Ceuta and Melilla.]

Article 31

Amendments to the Protocol

The [relevant body dealing with trade matters] may decide to amend the provisions of this Protocol.

Article 32

[EU: Committee on Rules of Origin and Customs Related Matters

1. The Committee on Rules of Origin and Customs-Related Matters established pursuant to Article XX (hereinafter referred to in this Protocol as the "Committee") shall be responsible for the effective implementation and operation of this Protocol, in addition to the other responsibilities specified in Article XX.
2. For the purposes of this Protocol, the Committee shall have the following functions:
 - (a) reviewing and making appropriate recommendations, as necessary, to the [Joint Committee] on:
 - (i) the implementation and operation of this Protocol; and
 - (ii) any amendments of the provisions of this Protocol proposed by a Party;
 - (b) adopting explanatory notes to facilitate the implementation of the provisions of this Protocol;
 - (c) considering any other matter related to this Protocol as the Parties may agree.]

Article 33

Goods in transit or storage

The provisions of this Agreement may be applied to goods which comply with the provisions of this Protocol and which on the date of entry into force of this Agreement are either in transit or are in the European Union or in Mercosur, in temporary storage in bonded warehouse or in free zones, subject to the submission to the customs authorities of the importing country, within six months of the said date, of a statement on origin together with the documents showing that the goods have been transported directly.

Article 34

Explanatory Notes

The Parties shall agree "Explanatory Notes" regarding the interpretation, application and administration of this Annex within the [Committee on Customs Co-operation and Rules of Origin.]

Article 35
Review Clause
[placeholder]

ANNEX I

INTRODUCTORY NOTES TO PRODUCT SPECIFIC RULES

Note 1

The list in [PSR] sets out the conditions required for all products to be considered as sufficiently worked or processed within the meaning of Article [sufficient working or processing].

Note 2

2.1. The first two columns in the list describe the product obtained. The first column gives the subheading number, heading number or chapter number used in the Harmonized System and the second column gives the description of goods used in that system for that subheading, heading or chapter. For each entry in the first two columns, a rule is specified in column 3 or 4. Where, in some cases, the entry in the first column is preceded by an “ex”, this signifies that the rules in column 3 or 4 apply only to the part of that subheading, heading or chapter as described in column 2.

2.2. Where several heading numbers are grouped together in column 1 or a chapter number is given and the description of products in column 2 is therefore given in general terms, the adjacent rules in column 3 or 4 apply to all products which, under the Harmonized System, are classified in headings of the chapter or in any of the headings grouped together in column 1.

2.3. Where there are different rules in the list applying to different products within a heading, each indent contains the description of that part of the heading covered by the adjacent rules in column 3 or 4.

2.4. Where, for an entry in the first two columns, a rule is specified in both columns 3 and 4, the exporter may opt, as an alternative, to apply either the rule set out in column 3 or that set out in column 4. If no origin rule is given in column 4, the rule set out in column 3 is to be applied.

Note 3

3.1. The provisions of Article [sufficient working or processing], concerning products having acquired originating status which are used in the manufacture of other products, shall apply, regardless of whether this status has been acquired inside the factory where these products are used or in another factory in the EU or in MERCOSUR

Example:

An engine of heading 8407, for which the rule states that the value of the non-originating materials which may be incorporated may not exceed 50 per cent of the ex-works price, is made from “other alloy steel roughly shaped by forging” of heading ex 7224. If this forging has been forged in the EU Party from a non-originating ingot, it has already acquired originating status by virtue of the rule for heading ex 7224 in the list. The forging can then count as originating in the value-calculation for the engine, regardless of whether it was produced in the same factory or in another factory in the EU Party. The value of

the non-originating ingot is thus not taken into account when adding up the value of the non-originating materials used.

3.2. The rule in the list represents the minimum amount of working or processing required, and the carrying-out of more working or processing also confers originating status; conversely, the carrying-out of less working or processing cannot confer originating status. Thus, if a rule provides that non-originating material, at a certain level of manufacture, may be used, the use of such material at an earlier stage of manufacture is allowed, and the use of such material at a later stage is not.

3.3. Without prejudice to Note 3.2, where a rule uses the expression "Manufacture from materials of any heading", then materials of any heading(s) (even materials of the same description and heading as the product) may be used, subject, however, to any specific limitations which may also be contained in the rule.

[However, the expression "Manufacture from materials of any heading, including other materials of heading ..." or "Manufacture from materials of any heading, including other materials of the same heading as the product" means that materials of any heading(s) may be used, except those of the same description as the product as given in column 2 of the list.]

3.4. When a rule in the list specifies that a product may be manufactured from more than one material, this means that one or more materials may be used. It does not require that all be used.

3.5. Where a rule in the list specifies that a product shall be manufactured from a particular material, the condition obviously does not prevent the use of other materials which, because of their inherent nature, cannot satisfy the rule.

[3.6. Where, in a rule in the list, two percentages are given for the maximum value of non-originating materials that can be used, then these percentages may not be added together. In other words, the maximum value of all the non-originating materials used may never exceed the higher of the percentages given. Furthermore, the individual percentages shall not be exceeded, in relation to the particular materials to which they apply.]

Note 4

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

4.2. In cases where the content of non-originating sugar in a given product is subject to limitations, the weight of sugars of headings 1701 (sucrose) and 1702 (e.g., fructose, glucose, lactose, maltose, isoglucose or invert sugar) used in the manufacture of the final product and used in the manufacture of the non-originating products incorporated in the final product is taken into account for the calculation of such limitations.

Note 5

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 0503, silk of headings 5002 and 5003, as well as wool-fibres and fine or coarse animal hair of headings 5101 to 5105, cotton fibres of headings 5201 to 5203, and other vegetable fibres of headings 5301 to 5305.

[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.

5.5. The term "printing" means a technique by which an objectively assessed function, like colour, design, technical performance, is given to a textile substrate with a permanent character, using screen, roller, digital or transfer techniques.

The term "Printing (as standalone operation)" means a technique by which an objectively assessed function, like colour, design, technical performance, is given to a textile substrate with a permanent character, using screen, roller, digital or transfer techniques combined with at least two preparatory/finishing operations (such as scouring, bleaching, mercerizing, heat setting, raising, calendaring, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling), provided that the value of all the materials used does not exceed 50% of the ex-works price of the product.

Note 6

6.1. The conditions set out in column 3 shall not be applied to any [EU: basic] textile materials (excluding elastomeric yarns) used in the manufacture of the product [MCS: except made-up products] and which, taken together, represent 10 per cent or less of the total weight of all the [EU: basic textile materials] [MCS: final product] used.

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.

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 per cent 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 per cent 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 had been made from cotton yarn of heading 5205 and synthetic fabric of heading 5407, then, obviously, the yarns used are two separate basic textile materials and the tufted textile fabric is, accordingly, a mixed product.

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 per cent 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 per cent in respect of this strip.

Note 7

7.1. Textile materials (with the exception of linings and interlinings, elastomeric yarns and sewing threads) 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 per cent of the ex-works price of the product.

7.2. Without prejudice to Note 6.3, materials which are not classified within Chapters 50 to 63 may be used freely in the manufacture of textile products, whether or not they contain textiles.

Example:

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

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

Note 8

HS Chapter 27 and Section VI: Products of the chemical or allied industries

a) **chemical reaction** : A "chemical reaction" is a process (including a biochemical process) which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

The following are not considered to be chemical reactions for the purposes of this definition:

- (a) dissolving in water or other solvents;
- (b) the elimination of solvents including solvent water; or
- (c) the addition or elimination of water of crystallization

b) **Mixtures and blends**

The deliberate and proportionally controlled mixing or blending (including dispersing) of materials, other than the addition of diluents only to conform to predetermined specifications which results in the production of a good having physical or chemical characteristics which are relevant to the purposes or uses of the good and are different from the input materials

c) **Purification:** Purification is to be considered as origin conferring provided that purification occurs in the territory of a Party and results in one of the following criteria being satisfied:

(a) purification of a good resulting in the elimination of 80 percent of the content of existing impurities; or

(b) the reduction or elimination of impurities resulting in a good suitable for one or more of the following applications:

(i) pharmaceutical, medical, cosmetic, veterinary or food grade substances;

(ii) chemical products and reagents for analytical, diagnostic or laboratory uses;

(iii) elements and components for use in micro-electronics;

(iv) specialized optical uses;

(v) biotechnical use (e.g., in cell culturing, in genetic technology, or as a catalyst);

(vi) carriers used in a separation process; or

(vii) nuclear grade uses.

d) **Change in Particle Size:** The deliberate and controlled modification in particle size of a good, other than by merely crushing or pressing, resulting in a good having a defined particle size, defined particle size distribution or defined surface area, which is relevant to the purposes of the resulting good and having different physical or chemical characteristics from the input materials is to be considered as origin conferring.

e) **Standard Materials:** Standard materials (including standard solutions) are preparations suitable for analytical, calibrating or referencing uses having precise degrees of purity or proportions which are certified by the manufacturer. The production of standard materials is to be considered as origin conferring.

f) **Isomer Separation:** The isolation or separation of isomers from a mixture of isomers is to be considered as origin conferring.

g) **Biotechnological Processes:**

(a) Biological or biotechnological culturing, hybridization or genetic modification of: (i) micro-organisms (bacteria, viruses (including phages) etc.) or (ii) human, animal or plant cells; and

(b) Production, isolation or purification of cellular or intercellular structures (such as isolated genes, gene fragments and plasmids) are to be considered as origin conferring

(c) Products shall be as originating if: (i) products of Chapter 30 are obtained by using cell cultures; (ii) products are obtained by fermentation.

ANNEX II
PRODUCT SPECIFIC RULES

ANNEX III

STATEMENT ON ORIGIN

The statement on origin, the text of which is set out below, must be drawn up in accordance with the respective footnotes. The footnotes do not have to be reproduced.

Bulgarian version

Износителят на продуктите, обхванати от този документ (разрешение № ... от митница или от друг компетентен държавен орган ⁽¹⁾) декларира, че освен където ясно е отбелязано друго, тези продукти са с ... ⁽²⁾ преференциален произход.

English version

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

Spanish version

El exportador de los productos incluidos en el presente documento (autorización aduanera o de la autoridad gubernamental competente n° ... ⁽¹⁾) declara que, salvo indicación en sentido contrario, estos productos gozan de un origen preferencial ... ⁽²⁾.

Danish version

⁽¹⁾ When the statement on origin is made out by an exporter within the meaning of Article 16(1a) of the Protocol, the number of the exporter must be entered in this space. When the statement on origin is made out by an exporter within the meaning of Article 16(1b) of the Protocol, the words in brackets shall be omitted or the space left blank.

⁽²⁾ Origin of products to be indicated: EU or Mercosur. When the statement on origin relates in whole or in part, to products originating in Ceuta and Melilla within the meaning of Article 30 of the Protocol, the exporter must clearly indicate them in the document on which the declaration is made out by means of the symbol "CM".

Eksportøren af varer, der er omfattet af nærværende dokument, (toldmyndighedernes eller den kompetente offentlige myndigheds tilladelse nr. ...⁽¹⁾) erklærer, at varerne, medmindre andet tydeligt er angivet, har præferenceoprindelse i ...⁽²⁾.

German version

Der Ausführer (Ermächtigter Ausführer; Bewilligung der Zollbehörde oder der zuständigen Regierungsbehörde Nr. ...⁽¹⁾) der Waren, auf die sich dieses Handelspapier bezieht, erklärt, dass diese Waren, soweit nichts anderes angegeben, präferenzbegünstigte Ursprungswaren ...⁽²⁾ sind.

Greek version

Ο εξαγωγέας των προϊόντων που καλύπτονται από το παρόν έγγραφο (άδεια τελωνείου ή της καθύλην αρμόδιας αρχής, υπ' αριθ. ...⁽¹⁾) δηλώνει ότι, εκτός εάν δηλώνεται σαφώς άλλως, τα προϊόντα αυτά είναι προτιμησιακής καταγωγής ...⁽²⁾.

French version

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

Italian version

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

Dutch version

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

Portuguese version

O abaixo assinado, exportador dos produtos cobertos pelo presente documento (autorização aduaneira ou da autoridade governamental competente n.º ...⁽¹⁾) declara que, salvo expressamente indicado em contrário, estes produtos são de origem preferencial ...⁽²⁾.

(1)

Finnish version

Tässä asiakirjassa mainittujen tuotteiden viejä (tullin tai toimivaltaisen julkisen viranomaisen lupa nro...⁽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 eller behörig statlig myndighet nr. ...⁽¹⁾) försäkrar att dessa varor, om inte annat tydligt markerats, har förmånsberättigande ... ursprung⁽²⁾.

Czech version

Vývozce výrobků uvedených v tomto dokumentu (číslo povolení **celního nebo** příslušného vládního orgánu ...⁽¹⁾) prohlašuje, že kromě zřetelně označených, mají tyto výrobky preferenční původ v ...⁽²⁾.

Estonian version

Käesoleva dokumendiga hõlmatud toodete eksportija (tolliameti või pädeva valitsusasutuse luba nr. ...⁽¹⁾) deklareerib, et need tooted on ...⁽²⁾ sooduspäritoluga, välja arvatud juhul kui on selgelt näidatud teisiti.

Latvian version

Eksportētājs produktiem, kuri ietverti šajā dokumentā (muitas vai kompetentu valsts iestāžu pilnvara Nr. ...⁽¹⁾), deklarē, ka, izņemot tur, kur ir citādi skaidri noteikts, šiem produktiem ir priekšrocību izcelsme no ...⁽²⁾.

Lithuanian version

Šiame dokumente išvardintų prekių eksportuotojas (muitinės arba kompetentingos vyriausybės institucijos liudijimo Nr. ...⁽¹⁾) deklaruoja, kad, jeigu kitaip nenurodyta, tai yra ...⁽²⁾ preferencinės kilmės prekės.

Hungarian version

A jelen okmányban szereplő áruk exportőre (vámfelhatalmazási szám: ...⁽¹⁾) vagy az illetékes kormányzati szerv által kiadott engedély száma: ...) kijelentem, hogy eltérő jelzés hiányában az áruk kedvezményes ... származásúak⁽²⁾.

Maltese version

L-esportatur tal-prodotti koperti b'dan id-dokument (awtorizzazzjoni kompetenti tal-gvern jew tad-dwana nru. ...⁽¹⁾) jiddikjara li, hlief fejn indikat b'mod car li mhux hekk, dawn il-prodotti huma ta' origini preferenzjali ...⁽²⁾.

Polish version

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

Romanian version

Exportatorul produselor ce fac obiectul acestui document (autorizația vamală sau a autorității guvernamentale competente nr. ...⁽¹⁾) declară că, exceptând cazul în care în mod expres este indicat altfel, aceste produse sunt de origine preferențială ...⁽²⁾.

Slovenian version

Izvoznik blaga, zajetega s tem dokumentom, (pooblastilo carinskih ali pristojnih državnih organov št. ...⁽¹⁾) izjavlja, da, razen če ni drugače jasno navedeno, ima to blago preferencialn ...⁽²⁾ poreklo.

Slovak version

Vývozca výrobkov uvedených v tomto dokumente (číslo povolenia colnej správy alebo príslušného vládneho povolenia ...⁽¹⁾) vyhlasuje, že okrem zreteľne označených, majú tieto výrobky preferenčný pôvod v ...⁽²⁾.

.....⁽³⁾

(Place and date)

.....⁽⁴⁾

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

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

⁽⁴⁾ See Article 16(6) of the Protocol. 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 IV
TRANSITIONAL MEASURES

[Article 1

[1. In accordance with Article 15 ("General requirements"), during the transitional period, Mercosur countries may issue certificates of origin in accordance with Mercosur legislation, which will be accepted as proofs of origin by the EU.

2. The transitional period referred to in paragraph 1 will be applied concomitantly to the effective application of the longest tariff elimination staging category of the Agreement set out in {Annex X-[x] "Tariff Elimination Schedules"}. At the request of Mercosur countries, the maximum transitional period can be extended by mutual agreement between the Parties.

3. Notwithstanding paragraph 2, Mercosur countries in accordance with their capabilities shall endeavor to adopt statements of origin in accordance with Article 16 as soon as possible.] MCS

[Article 1

[For a maximum period not exceeding one year from the entry into force of this Agreement, the European Union will accept as a statement on origin a declaration certifying that the products imported into the European Union meet the requirements of origin established under this Agreement.

The form of the declaration shall be communicated to the European Commission.] EU

[For a period not exceeding three years from the entry into force of this Agreement, the European Union will accept as a statement on origin a "certificate of origin" that the products imported into the European Union meet the requirements of origin established under this Agreement.

The period of three years may be extended for a maximum period of two years by notification from the Mercosur country to the European Union. In such a case, Annex VI on the Management of Administrative Errors may be applied provided the conditions as set out in Annex V are met.

The form of the "certificate of origin" as mentioned in sub-paragraph 1 shall be communicated to the European Commission.] Alternative EU

ANNEX V

MANAGEMENT OF ADMINISTRATIVE ERRORS (MAE)

In case of error by the competent authorities in the proper management of the preferential system at export, and in particular in the application of the provisions of the protocol to the present agreement concerning the definition of originating products and methods of administrative cooperation, where this error leads to consequences in terms of import duties, the contracting party facing such consequences may request the (institutional body under the agreement) to examine the possibilities of adopting all appropriate measures with a view to resolving the situation.

ANNEX VI

[EU: JOINT DECLARATION

**JOINT DECLARATION
concerning the Pricipality of Andorra**

1- Products originating in the Pricipality of Andorra falling within Chapters 25 to 97 of the Harmonized System shall be accepted by Mercosur as originating in the Community within the meaning of this Agreement.

2- The Annex on the definition of the concept of “originating products” and methods of administrative cooperation shall apply mutatis mutandis for the purpose of defining the originating status of the above- mentioned products.

**JOINT DECLARATION
Concerning the Republic of San Marino**

1- Products originating in the Republic of San Marino shall be accepted by Mercosur as originating in the Community within the meaning of this Agreement.

2- The Annex on the definition of the concept of “originating products” and methods of administrative cooperation shall apply mutatis mutandis for the purpose of defining the originating status of the above- mentioned products.

Limited

Working or processing, carried out on non-originating materials, which confers originating status

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 25	Salt; sulphur; earths and stone; plastering materials, lime and cement; except for:	Manufacture from materials of any heading, except that of the product	=
ex 2504	Natural crystalline graphite, with enriched carbon content, purified and ground	Enriching of the carbon content, purifying and grinding of crude crystalline graphite	=
ex 2515	Marble, merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape, of a thickness not exceeding 25 cm	Cutting, by sawing or otherwise, of marble (even if already sawn) of a thickness exceeding 25 cm	=
ex 2516	Granite, porphyry, basalt, sandstone and other monumental or building stone, merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape, of a thickness not exceeding 25 cm	Cutting, by sawing or otherwise, of stone (even if already sawn) of a thickness exceeding 25 cm	=
ex 2518	Calcined dolomite	Calcination of dolomite not calcined	=
ex 2519	Crushed natural magnesium carbonate (magnesite), in hermetically-sealed containers, and magnesium oxide, whether or not pure, other than fused magnesia or dead-burned (sintered) magnesia	Manufacture from materials of any heading, except that of the product. However, natural magnesium carbonate (magnesite) may be used	=
ex 2520	Plasters specially prepared for dentistry	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product	=
ex 2524	Natural asbestos fibres	Manufacture from asbestos concentrate	=
ex 2525	Mica powder	Grinding of mica or mica waste	=
ex 2530	Earth colours, calcined or powdered	Calcination or grinding of earth colours	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 26	Ores, slag and ash	Manufacture from materials of any heading, except that of the product	=
ex Chapter 27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes; except for:	Manufacture from materials of any heading, except that of the product	=
ex 2707	Oils in which the weight of the aromatic constituents exceeds that of the non-aromatic constituents, being oils similar to mineral oils obtained by distillation of high temperature coal tar; of which more than 65% by volume distils at a temperature of up to 250 °C (including mixtures of petroleum spirit and benzole), for use as power or heating fuels	Operations of refining and/or one or more specific process(es) ([1]) or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50% of the ex-works price of the product	=
ex 2709	Crude oils obtained from bituminous minerals	Destructive distillation of bituminous materials	=
2710	Petroleum oils and oils obtained from bituminous materials, other than crude; preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous materials, these oils being the basic constituents of the preparations; waste oils	Operations of refining and/or one or more specific process(es) ([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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
2711	Petroleum gases and other gaseous hydrocarbons	Operations of refining and/or one or more specific process(es) ([3]) or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50% of the 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	Operations of refining and/or one or more specific process(es) ([4]) or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50% of the ex-works price of the product	=
2713	Petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous materials	Operations of refining and/or one or more specific process(es) ([5]) or Other operations in which all the materials used are classified within a heading other than that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50% of the ex-works price of the product	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
2714	Bitumen and asphalt, natural; bituminous or oil shale and tar sands; asphaltites and asphaltic rocks	Operations of refining and/or one or more specific process(es) ([6]) 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	=
2715	Bituminous mixtures based on natural asphalt, on natural bitumen, on petroleum bitumen, on mineral tar or on mineral tar pitch (for example, bituminous mastics, cut-backs)	Operations of refining and/or one or more specific process(es) ([7]) 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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes; except for:	<p>Manufacture from materials of any sub heading, except that of the product</p> <p>OR</p> <p>Manufacture in which</p> <ul style="list-style-type: none"> - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process <p>is made (1)</p> <p>[Introductory Notes]</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product</p>	<p>Manufacture from materials of any heading, except that of the product</p> <p>OR</p> <p>Manufacture in which the value fo all the materials used does not exceed 40% of the ex-work price of the product, provided they are obtained by means of a productive process (chemical reaction*) that implies a molecular modification resulting from a substantial transformation and that creates a new chemical identity</p>

Limited

HS code	Description	EU proposal	Mercosur proposal
28.02		Manufacture from materials of	
28.03		any heading, except that of the	
28.07		product	
28.08		OR	
28.10		Manufacture in which	
28.13		- a chemical reaction,	
28.16		- a mixture	
28.17		- a blend	
28.22		- purification	
28.23		- a change in particle size	
28.47		- standard materials	
28.48		- isomer separation or	
28.50		- a biotechnological process	
		is made (1)	
		[Introductory Notes]	
		OR	
		Manufacture in which the value of	
		all the materials used does not	
		exceed 50% of the ex-work price	
		of the product	

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 29	Organic chemicals; except for:	Manufacture from materials of any sub heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price	Manufacture from materials of any heading, except that of the product OR Manufacture in which the value fo all the materials used does not exceed 40% of the ex-work price of the product, provided they are obtained by means of a productive process (chemical reaction*) that implies a molecular modification resulting from a substantial transformation and that creates a new chemical identity
2905.43	Mannitol	Manufacture from materials of any heading, except that of the product and except materials of heading 3824	=
2905.44	D-glucitol (sorbitol)	Manufacture from materials of any heading, except that of the product and except materials of heading 3824	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
29.11 29.13 29.19 29.27 29.28 29.31 29.35 29.40 29.42		Manufacture from materials of any heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	
2905.45	Glicerol	Manufacture from materials of any sub-heading, except that of the product. However, materials of the same sub-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	(Rule of the Chapter)

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 30	Pharmaceutical products	Manufacture from materials of any sub heading, OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	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 40% of the ex-work price of the product
3004	Medicaments (not goods of heading no. 3002, 3005 or 3006)		
ex Chapter 31	Fertilizers; except for:	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20% of the ex-works price of the product OR Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks; except for:	Manufacture from materials of any sub heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made(1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	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 40% of the ex-works price of the product
3206	Other colouring matter; preparations as specified in note 3 to this chapter, other than those of heading 3203, 3204 or 3205; inorganic products of a kind used as luminophores, whether or not chemically defined	=	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 40% of the ex-works price of the product

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
32.03 32.05 32.09 - 32.11		Manufacture from materials of any heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations; except for:	Manufacture from materials of any sub heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made(1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	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 40% of the ex-works price of the product
3301 90	Terpenic by-products of the deterpenation of essential oils; Extracted oleoresins others	Manufacture from materials of any sub-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	Rule of the Chapter

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
3302 10	Mixtures of odoriferous substances and mixtures (including alcoholic solutions) with a basis of one or more of these substances, of a kind used as raw materials in industry; other preparations based on odoriferous substances, of a kind used for the manufacture of beverages - Of a kind used in the food or drink industries	<p>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</p> <p>OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product</p>	Rule of the Chapter
3303	Perfumes and toilet water	Manufacture from materials of any heading	<p>Manufacture from materials of any heading, except that of the product</p> <p>OR</p> <p>Manufacture in which the value of all materials used does not exceed 50% of the ex-works price of the product.</p>
3304 to 3307	Beauty or make-up preparations and preparations for the care of the skin (other than medicaments); Preparations for use on the hair; Preparations for oral or dental hygiene; yarn used to clean between the teeth, in individual retail packages; Pre-shave, shaving or aftershave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations; prepared room deodorizers	Rule of the chapter	<p>Manufacture from materials of any heading, except that of the product</p> <p>OR</p> <p>Manufacture in which the value of all materials used does not exceed 50% of the ex-works price of the product.</p>

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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:	<p>Manufacture from materials of any sub heading, except that of the product</p> <p>OR</p> <p>Manufacture in which</p> <ul style="list-style-type: none"> - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process <p>is made(1)</p> <p>[Introductory Notes]</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product</p>	<p>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</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product</p>
3401.11 and 3401.30	Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded pieces or shapes, and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent for toilet use (including medicated products); Organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap	<i>(Rule of the Chapter)</i>	<p>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</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product</p>

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
34.03 34.04 34.06 34.07		Manufacture from materials of any heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 35	Albuminoidal substances; modified starches; glues; enzymes; except for:	Manufacture from materials of any sub heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made(1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	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 40% of the ex-works price of the product
3501	Casein, caseinates and other casein derivatives; casein glues	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	Rule of the Chapter
3502 11 to 3502 20	Egg and milk albumin	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	Rule of the Chapter

Limited

HS code	Description	EU proposal	Mercosur proposal
3505	Dextrina	Manufacture from material of any heading except that of the products in which the value for all the materials used does not exceed 50% of the exworks price of the product	Rule of the Chapter
35.03 35.04 35.07		Manufacture from materials of any heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	<p>Manufacture from materials of any sub heading, except that of the product</p> <p>OR</p> <p>Manufacture in which</p> <ul style="list-style-type: none"> - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made(1) <p>[Introductory Notes]</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product</p>	<p>Manufacture from materials of any heading, except that of the product.</p> <p>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</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product</p>

Mercosur proposal	EU proposal	Description	HS code
	<p>Manufacture from materials of any heading, except that of the product</p> <p>OR</p> <p>Manufacture in which</p> <ul style="list-style-type: none"> - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process <p>is made (1)</p> <p>[Introductory Notes]</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product</p>		36.01 - 36.05

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 37	Photographic or cinematographic goods; except for:	<p>Manufacture from materials of any sub heading, except that of the product</p> <p>OR</p> <p>Manufacture in which</p> <ul style="list-style-type: none"> - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made(1) <p>[Introductory Notes]</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product</p>	<p>Manufacture from materials of any heading, except that of the product.</p> <p>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</p> <p>OR</p> <p>Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product</p>

Limited

HS code	Description	EU proposal	Mercosur proposal
37.03 - 37.06		Manufacture from materials of any heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 38	Miscellaneous chemical products; except for:	Manufacture from materials of any sub heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made(1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	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 40% of the ex-works price of the product
3808	Insecticides, rodenticides, fungicides, herbicides, anti-sprouting products and plant-growth regulators, disinfectants and similar products, put up in forms or packings for retail sale or as preparations or articles (for example, sulphur-treated bands, wicks and candles, and fly-papers)	(Rule of the Chapter)	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the products
3809 10	Finishing agent	Manufacture from materials of any heading, except that of the product, and of materials of heading 1108	(Rule of the Chapter)

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
3823	Industrial monocarboxylic fatty acids; acid oils from refining; industrial fatty alcohols:	Manufacture from materials of any heading, including other materials of heading 3823 OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product	(Rule of the Chapter)
3823	Industrial monocarboxylic fatty acids; acid oils from refining; industrial fatty alcohols: - Industrial fatty alcohols	Manufacture from materials of any heading, including other materials of heading 3823 OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product	(Rule of the Chapter)
3824.60	Sorbitol other than that of subheading 2905 44	Manufacture from materials of any heading, except that of the product and except materials of sub-heading 2905 44.	(Rule of the Chapter)
Ex 3824 90 and 3826 00 NB: codes to be revised in HS2017.	Biodiesel	Manufacture in which biodiesel is obtained through transesterification and/or esterification or through hydro-treatment	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
<p>38.02 38.04 38.07 - 38.17 38.19 38.20</p>		<p>Manufacture from materials of any heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product</p>	

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Ex Chapter 39	Plastics and articles thereof: except for:	Manufacture from materials of any sub heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made(1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	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 40% of the ex-works price of the product

Limited

HS code	Description	EU proposal	Mercosur proposal
39.01 - 39.06 39.11 39.12 39.14		Manufacture from materials of any heading, except that of the product OR Manufacture in which - a chemical reaction, - a mixture - a blend - purification - a change in particle size - standard materials - isomer separation or - a biotechnological process is made (1) [Introductory Notes] OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	
3901 to 3906	Polymers of ethylene, of propylene or of other olefins, of styrene and of vinyl chloride or of other halogenated olefins, in primary forms; Polymers of vinyl acetate or of other vinyl esters; other vinyl polymers; acrylic polymers; in primary forms (Check description)	(rule of the Chapter)	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
3907 to 3908	Polyacetals, other polyethers and epoxide resins, in primary forms; polycarbonates, alkyd resins, polyallyl esters and other polyesters, in primary forms; Polyamides in primary forms (check description)	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	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
3909 to 3915	Amino-resins, phenolic resins and polyurethanes; Silicones; Petroleum resins, coumarone-indene resins, polyterpenes, polysulphides, polysulphones and other products n.e.s.; cellulose and its chemical derivatives n.e.s; natural and modified polymers; Ion-exchangers; Waste, parings and scrap, of plastics; in primary forms. (check description)	(Rule of the chapter)	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
3916 to 3926	Semi-manufactures and articles of plastics	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-work price of the product	(Rule of the Chapter)
3923.30	Carboys, bottles, flasks and similar articles	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-work price of the product	Manufacture in which the value of all materials used does not exceed 40% of the exwork price of the product.

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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 50% of the ex-works price of the product	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 40% of the ex-works price of the product.
4002.19, 4002.20 and 4002.59	Styrene-butadiene rubber (SBR); carboxylated styrene-butadiene rubber (XSBR), except latex; Butadiene rubber (BR); and Acrylonitrile-butadiene rubber (NBR), except latex	<i>(Rule of the Chapter)</i>	Manufacture: -from materials of any heading, except that of the product, and - in which the value of all materials used does not exceed 50% of the ex-works price
4005	Compounded rubber, unvulcanised, in primary forms or in plates, sheets or strip	<i>(Rule of the Chapter)</i>	Manufacture: -from materials of any heading, except that of the product, and - in which the value of all materials used does not exceed 50% of the ex-works price
ex 4012	Retreaded or used pneumatic tyres of rubber; solid or cushion tyres, tyre treads and tyre flaps, of rubber: - Retreaded pneumatic, solid or cushion tyres, of rubber	Retreading of used tyres	<i>(Rule of the Chapter)</i>
ex Chapter 41	Raw hides and skins (other than furskins) and leather; except for:	Manufacture from materials of any heading, except that of the product	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
4101 to 4103	Raw hides and skins of bovine (including buffalo) or equine animals (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment dressed or further prepared), whether or not dehaired or split; raw skins of sheep or lambs (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment dressed or further prepared), whether or not with wool on or split, other than those excluded by note 1(c) to Chapter 41; other raw hides and skins (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment dressed or further prepared), whether or not dehaired or split, other than those excluded by note 1(b) or 1(c) to Chapter 41	Manufacture from materials of any subheading, except that of the product	=
4104 to 4106	Tanned or crust hides and skins, without wool or hair on, whether or not split, but not further prepared	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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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	=
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 50% of the ex-work price 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
Chapter 45	Cork and articles of cork; 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 50% of the ex-work price of the product	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 46	Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork	Manufacture from materials of any heading, except that of the product	=
Chapter 47	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard	Manufacture from materials of any heading, except that of the product	=
ex Chapter 48	Paper and paperboard; articles of paper pulp, of paper or of paperboard; except for:	Manufacture from materials of any heading, except that of the product OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product	=
4808.10	Corrugated paper and paperboard wheter or not perforated	=	Manufacture from materials of any heading, except that of the product AND Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product
4811.51	Bleached, weighing more than 150 g/m2	=	Manufacture from materials of any heading, except that of the product
4817	Envelopes, letter cards, plain postcards and correspondence cards, of paper or paperboard; boxes, pouches, wallets and writing compendiums, of paper or paperboard, containing an assortment of paper stationery	Manufacture: - from materials of any heading, except that of the product, and - in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
4818.30	Tablecloths and serviettes	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-work price of the product	=
ex 4819 to 4821		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-work price of the product	=
ex 4819	Cartons, boxes, cases, bags and other packing containers, of paper, paperboard, cellulose wadding or webs of cellulose fibres	Manufacture: - from materials of any heading, except that of the product, and - in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	=
4823.40 and 4823.90		=	Manufacture from materials of any heading, except that of the product AND Manufacture in which the value of all the materials used does not exceed 50% of the ex-work price of the product

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans; except for:	Manufacture from materials of any heading, except that of the product	=
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	Manufacture from materials of any heading except that of the product
5004 to ex 5006	Silk yarn and yarn spun from silk waste	Spinning of natural fibres or Extrusion of man-made continuous filament combined with spinning or Extrusion of man-made continuous filament combined with twisting or Twisting combined with any mechanical operation	Spinning of natural fibres or Extrusion of man-made continuous filament combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5007	Woven fabrics of silk or of silk waste:	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving or Twisting or any mechanical operation combined with weaving or Weaving combined with dyeing or Yarn dyeing combined with weaving or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural fibres or Extrusion of man-made continuous filament combined with spinning
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	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning or Twisting combined with any mechanical operation	Spinning of natural fibres or Extrusion of man-made continuous filament combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5111 to 5113	Woven fabrics of wool, of fine or coarse animal hair or of horsehair	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving or Weaving combined with dyeing or Yarn dyeing combined with weaving or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural fibres or Extrusion of man-made continuous filament combined with spinning
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	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning or Twisting combined with any mechanical operation	Spinning of natural fibres or Extrusion of man-made continuous filament combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5208 to 5212	Woven fabrics of cotton:	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving or Twisting or any mechanical operation combined with weaving or Weaving combined with dyeing or with coating or with laminating or Yarn dyeing combined with weaving or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural fibres or Extrusion of man-made continuous filament combined with spinning
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	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning or Twisting combined with any mechanical operation	Spinning of natural fibres or Extrusion of man-made continuous filament combined with spinning

Limited

HS code	Description	EU proposal	Mercosur proposal
5309 to 5311	Woven fabrics of other vegetable textile fibres; woven fabrics of paper yarn	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving or Weaving combined with dyeing or with coating or with laminating or Yarn dyeing combined with weaving or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with weaving
5401 to 5406	Yarn, monofilament and thread of man-made filaments	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning or Twisting combined with any mechanical operation	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5407 and 5408	Woven fabrics of man-made filament yarn	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving or Yarn dyeing combined with weaving or Weaving combined with dyeing or with coating or with laminating or Twisting or any mechanical operation combined with weaving or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with weaving
Ex 5501 to 5507	Man-made staple fibres	Extrusion of man-made fibres	Manufacture from chemical materials or textile pulp
5503 20	Of polyesters	See above	Manufacture from chemical materials or textile pulp except those from headings 3907 to 3912
5508 to 5511	Yarn and sewing thread of man-made staple fibres	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning or Twisting combined with any mechanical operation	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5512 to 5516	Woven fabrics of man-made staple fibres:	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving Twisting or any mechanical operation combined with weaving or Weaving combined with dyeing or with coating or with laminating or Yarn dyeing combined with weaving or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with weaving
ex Chapter 56	Wadding, felt and non-wovens; special yarns; twine, cordage, ropes and cables and articles thereof; except for:	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5601	Wadding of textile materials and articles thereof; textile fibres, not exceeding 5 mm in length (flock), textile dust and mill neps.	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning or Flocking combined with dyeing or printing or Coating, flocking, laminating, or metalizing combined with at least two other main preparatory or finishing operations (such as calendaring, shrink-resistance processes, heat setting, permanent finishing) provided that the value of all the materials used does not exceed 50% of the ex-works price of the product	Spinning of natural and/or man-made staple fibres combined with weaving or with tufting or Extrusion of man-made fibres combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5602	Felt, whether or not impregnated, coated, covered or laminated: - Needleloom felt	Extrusion of man-made fibres combined with 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 Non-woven fabric formation alone in the case of felt made from natural fibres	Extrusion of man-made fibres combined with fabric formation, or Non-woven fabric formation alone in the case of other felt made from natural fibres
5602	- Other	Extrusion of man-made fibres combined with fabric formation, or Non-woven fabric formation alone in the case of other felt made from natural fibres	Extrusion of man-made fibres combined with fabric formation or Non-woven fabric formation alone in the case of felt made from natural fibres
5603	Nonwovens whether or not impregnated, coated, covered or laminated		Spinning of natural fibres or Extrusion of man-made fibres combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
560311 to 560314	Nonwovens whether or not impregnated, coated, covered or laminated of man made filaments	Manufacture from - directionally or randomly oriented filaments or - substances or polymers of natural or man-made origin, followed in both cases by bonding into a nonwoven	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning
560391 to 560394	Nonwovens whether or not impregnated, coated, covered or laminated, other than of man made filaments	Manufacture from -directionally or randomly oriented staple fibres and/or - chopped yarns, of natural or man-made origin, followed in both cases by bonding into a nonwoven	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning
5604	Rubber thread and cord, textile covered; textile yarn, and strip and the like of heading 5404 or 5405, impregnated, coated, covered or sheathed with rubber or plastics: - Rubber thread and cord, textile covered	Manufacture from rubber thread or cord, not textile covered	Manufacture from rubber thread or cord, not textile covered
5604	- Other	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning or Twisting combined with any mechanical operation	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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;	Spinning of natural and/or man-made staple fibres or Extrusion of man-made fibres combined with spinning or Twisting combined with any mechanical operation	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning
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 combined with spinning or Twisting combined with gimping or Spinning of natural and/or man-made staple fibres or Flocking combined with dyeing	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning
5607 to 5609	Twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics; Knotted netting of twine, cordage or rope; made up fishing nets and other made up nets, of textile materials; Articles of yarn, strip or the like of heading No. 54.04 or 54.05, twine, cordage, rope or cables, not elsewhere specified or included	(rule of the chapter)	Spinning of natural fibres or Extrusion of man-made fibres combined with spinning

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 57	Carpets and other textile floor coverings:	<p>made staple fibres combined with weaving or with tufting</p> <p>or</p> <p>Extrusion of man-made filament yarn combined with weaving or with tufting</p> <p>or</p> <p>Manufacture from coir yarn or sisal yarn or jute yarn or classical ring spun viscose yarn</p> <p>or</p> <p>Tufting combined with dyeing or with printing</p> <p>or</p> <p>Flocking combined with dyeing or with printing</p> <p>or</p> <p>Extrusion of man-made fibres combined with non-woven techniques including needle punching</p> <p>Jute fabric may be used as a backing</p>	<p>Spinning of natural and/or man-made staple fibres combined with weaving or with tufting</p> <p>or</p> <p>Extrusion of man-made filament yarn combined with weaving or with tufting</p>

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 58	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery; except for:	Spinning of natural and/or man-made staple fibres combined with weaving or tufting or Extrusion of man-made filament yarn combined with weaving or with tufting or Weaving combined with dyeing or with flocking or with coating or with laminating or with metalizing or Tufting combined with dyeing or with printing or Flocking combined with dyeing or with printing or Yarn dyeing combined with weaving or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with weaving or with tufting or Extrusion of man-made filament yarn combined with weaving or with tufting
5805	Hand-woven tapestries of the types Gobelins, Flanders, Aubusson, Beauvais and the like, and needle-worked tapestries (for example, petit point, cross stitch), whether or not made up	Manufacture from materials of any heading, except that of the product	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5810	Embroidery in the piece, in strips or in motifs	Embroidering in which the value of all the materials of any heading, except that of the product, used does not exceed 50% of the ex-works price of the product	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving
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 combined with dyeing or with flocking or with coating or with laminating or with metalizing or Flocking combined with dyeing or with printing	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation
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	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation
5902	- Other	Extrusion of man-made fibres combined with weaving	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5903	Textile fabrics impregnated, coated, covered or laminated with plastics, other than those of heading 5902	Weaving combined with impregnating or with coating or with covering or with laminating or with metalizing or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation
5904	Linoleum, whether or note cut to shape; floor coverings consisting of a coating or covering applied on a textile backing, whether or not cut to shape	Weaving combined with dyeing or with coating or with laminating or with metalizing Jute fabric may be used as a backing	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation
5905	Textile wall coverings: - Impregnated, coated, covered or laminated with rubber, plastics or other materials	Weaving, knitting or non-woven fabric formation combined with impregnating or with coating or with covering or with laminating or with metalizing	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5905	- Other	Spinning of natural and/or man-made staple fibres combined with weaving or Extrusion of man-made filament yarn combined with weaving or Weaving, knitting or non-woven fabric formation combined with dyeing or with coating or with laminating or Weaving combined with printing or Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation

Limited

HS code	Description	EU proposal	Mercosur proposal
5906	Rubberised textile fabrics, other than those of heading 5902: - Knitted or crocheted fabrics	Spinning of natural and/or man-made staple fibres combined with knitting/crocheting or Extrusion of man-made filament yarn combined with knitting/crocheting or Knitting or crocheting combined with rubberising or Rubberising combined with at least two other main preparatory or finishing operations (such as calendering, shrink-resistance processes, heat setting, permanent finishing) provided that the value of all the materials used does not exceed 50% of the ex-works price of the product	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation
5906	- Other fabrics made of synthetic filament yarn, containing more than 90% by weight of textile materials	Extrusion of man-made fibres combined with weaving	Extrusion of man-made fibres combined with weaving

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5906	- Other	Weaving, knitting or non-woven process combined with dyeing or with coating rubberising or Yarn dyeing combined with weaving knitting or non-woven process or Rubberising combined with at least two other main preparatory or finishing operations (such as calendering, shrink-resistance processes, heat setting, permanent finishing) provided that the value of all the materials used does not exceed 50% of the ex-works price of the product	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation
5907	Textile fabrics otherwise impregnated, coated or covered; painted canvas being theatrical scenery, studio back-cloths or the like	Weaving or knitting or non-woven fabric formation combined with dyeing or with printing or with coating or with impregnating or with covering or Flocking combined with dyeing or with printing or Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5908	Textile wicks, woven, plaited or knitted, for lamps, stoves, lighters, candles or the like; incandescent gas mantles and tubular knitted gas mantle fabric therefor, whether or not impregnated: - Incandescent gas mantles, impregnated	Manufacture from tubular knitted gas-mantle fabric	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation
5908	- Other	Manufacture from materials of any heading, except that of the product	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
5909 to 5911	Textile articles of a kind suitable for industrial use	Spinning of natural and/or of man-made staple fibres combined with weaving or Extrusion of man-made fibres combined with weaving or Weaving combined with dyeing or with coating or with laminating or Coating, flocking, laminating or metalizing combined with at least two other main preparatory or finishing operations (such as calendaring, shrink-resistance processes, heat setting, permanent finishing) provided that the value of all the materials used does not exceed 50% of the ex-works price of the product	Spinning of natural and/or man-made staple fibres combined with fabric formation or Extrusion of man-made filament yarn combined with fabric formation

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 60	Knitted or crocheted fabrics	Spinning of natural and/or man-made staple fibres combined with knitting/crocheting or Extrusion of man-made filament yarn combined with knitting/crocheting or Knitting/crocheting combined with dyeing or with flocking or with coating or with laminating or printing or Flocking combined with dyeing or with printing or Yarn dyeing combined with knitting/crocheting or Twisting or texturing combined with knitting/crocheting provided that the value of the non-twisted/non-textured yarns used does not exceed 50% of the ex-works price of the product	Spinning of natural and/or man-made staple fibres combined with knitting/crocheting or Extrusion of man-made filament yarn combined with knitting/crocheting
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	Knitting or crocheting combined with making-up including cutting of fabric	Spinning of natural and/or man-made staple fibres combined with knitting/crocheting and cutting and sewing or Extrusion of man-made filament yarn combined with knitting/crocheting and cutting and sewing

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 61	- Other	Spinning of natural and/or man-made staple fibres combined with knitting or crocheting or Extrusion of man-made filament yarn combined with knitting or crocheting or Knitting and making-up in one operation	Spinning of natural and/or man-made staple fibres combined with Knitting and making-up in one operation or Extrusion of man-made filament yarn combined with Knitting and making-up in one operation
Ex 6109.10	T-shirts, singlets and other vests; of cotton, knitted or crocheted		PENDING
Ex Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted	Weaving combined with making-up including cutting of fabric or Making-up including cutting of fabric preceded by Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
ex 6202, ex 6204, ex 6206, ex 6209 and ex 6211	Women's, girls' and babies' clothing and clothing accessories for babies, embroidered	Weaving combined with making-up including cutting of fabric 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	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
Ex 6203.42	Trousers, bib and brace overalls, breeches and shorts; men's or boys', of cotton (not knitted or crocheted)	Chapter rule	PENDING

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Ex 6204.52 and 6204.62	Skirts and divided skirts; women's or girls', of cotton (not knitted or crocheted) and Trousers, bib and brace overalls, breeches and shorts; women's or girls', of cotton (not knitted or crocheted)	Chapter rule	PENDING
ex 6210 and ex 6216	Fire-resistant equipment of fabric covered with foil of aluminised polyester	Weaving combined with making-up including cutting of fabric or Coating or laminating provided that the value of the uncoated or unlaminated fabric used does not exceed 40 % of the ex-works price of the product, combined with making-up including cutting of fabric	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
ex 6212	Brassieres, girdles, corsets, braces, suspenders, garters and similar articles and parts thereof, 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	Knitting combined with making-up including cutting of fabric or Making-up including cutting of fabric preceded by Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
6213 and 6214	Handkerchiefs, shawls, scarves, mufflers, mantillas, veils and the like: - Embroidered	Weaving combined with making-up including cutting of fabric 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 () or Making-up including cutting of fabric preceded by Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
6213 and 6214	- Other	Weaving combined with making-up including cutting of fabric or Making-up including cutting of fabric preceded by Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
6217	Other made up clothing accessories; parts of garments or of clothing accessories, other than those of heading 6212: - Embroidered	Weaving combined with making-up including cutting of fabric 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 () or Making-up including cutting of fabric preceded by Printing (as standalone operation)	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
6217	- Fire-resistant equipment of fabric covered with foil of aluminised polyester	Weaving combined with making-up including cutting of fabric or Coating or laminating provided that the value of the uncoated or unlaminated fabric used does not exceed 40 % of the ex-works price of the product combined with making-up including cutting of fabric	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
6217	- Interlinings for collars and cuffs, cut out	Manufacture: - from materials of any heading, except that of the product, and - in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
6217	- Other	Weaving combined with making-up including cutting of fabric	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
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	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
6301 to 6304	Blankets, travelling rugs, bed linen etc.; curtains etc.; other furnishing articles: - Of felt, of nonwovens	Non-woven Fabric formation combined with making-up including cutting of fabric	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
6301 to 6304	- Other: -- Embroidered	Weaving or knitting/crocheting combined with making-up including cutting of fabric 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	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
6301 to 6304	-- Other	Weaving or knitting/crocheting combined with making-up including cutting of fabric	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
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, combined with weaving or with knitting and making-up including cutting of fabric	Extrusion of man-made fibres or spinning of natural and/or man-made staple fibres, combined with weaving or with knitting and making-up including cutting of fabric

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
6306	Tarpaulins, awnings and sunblinds; tents; sails for boats, sailboards or landcraft; camping goods: - Of nonwovens	Non-woven Fabric formation, combined with making-up including cutting of fabric	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
6306	- Other	Weaving combined with making-up including cutting of fabric	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
6307	Other made-up articles, including dress patterns	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product	Spinning of natural and/or man-made staple fibres combined with fabric formation and cutting and sewing or Extrusion of man-made filament yarn combined with fabric formation and cutting and sewing
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	Each item in the set must satisfy the rule which would apply to it if it were not included in the set

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Ex Chapter 64	Footwear, gaiters and the like; parts of such articles; except for:	=	<p>With a customs value above 35 euros: Manufacture from materials of any heading, except from assemblies of uppers affixed to inner soles or to other sole components of heading 6406</p> <p>With a customs value of 35 euros or less: Manufacture from materials of any heading except from subheading 640610 provided that the total value of the non originating materials does not exceed 40% of the value of final product</p>
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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 66	Umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding-crops, 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 50 % of the ex-works price of the product	=
Chapter 67	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair	Manufacture from materials of any heading, except that of the product	=
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 50% of the exworks 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	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	=

Limited

HS code	Description	EU proposal	Mercosur proposal
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 50% of the ex-works price of the product	=
7006	Glass of heading 7003, 7004 or 7005, bent, edge-worked, engraved, drilled, enamelled or otherwise worked, but not framed or fitted with other materials:	=	Manufacture from materials of any heading, except that of the product and heading 7005.
7007	Safety glass, consisting of toughened (tempered) or laminated glass	=	Manufacture from materials of any heading, except that of the product and heading 7005.
7008	Multiple-walled insulating units of glass	=	Manufacture from materials of any heading, except that of the product and heading 7005.
7009	Glass mirrors, whether or not framed, including rear-view mirrors	=	Manufacture from materials of any heading, except that of the product and heading 7005.
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 Manufacture in which the value of all the materials used does not exceed 20% of the ex-works price of the product	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
7013	Glassware of a kind used for table, kitchen, toilet, office, indoor decoration or similar purposes (other than that of heading 7010 or 7018)	Manufacture from materials of any heading, except that of the product OR Manufacture in which the value of all the materials used does not exceed 20% of the ex-works price of the product	=
7019	Articles (other than yarn) of glass fibers	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 45% of the ex-works price of the product	=
ex Chapter 71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal, and articles thereof; imitation jewellery; coin; except for:	Manufacture from materials of any heading, except that of the product	=
ex 7101	Natural or cultured pearls, graded and temporarily strung for convenience of transport	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	=
ex 7102, ex 7103 and ex 7104	Worked precious or semi-precious stones (natural, synthetic or reconstructed)	Manufacture from unworked precious or semi-precious stones	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
7106, 7108 and 7110	Precious metals: - Unwrought	Manufacture from materials of any heading, except those of headings 7106, 7108 and 7110 OR Electrolytic, thermal or chemical separation of precious metals of heading 7106, 7108 or 7110 OR Alloying of precious metals of heading 7106, 7108 or 7110 with each other or with base metals	=
7106, 7108 and 7110	- Semi-manufactured or in powder form	Manufacture from unwrought precious metals	=
ex 7107, ex 7109 and ex 7111	Metals clad with precious metals, semi-manufactured	Manufacture from metals clad with precious metals, unwrought	=
7116	Articles of natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed)	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	=
7117	Imitation jewellery	Manufacture from materials of any heading, except that of the product OR Manufacture from base metal parts, not plated or covered with precious metals, provided that the value of all the materials used does not exceed 50 % of the ex-works price of the product	=
ex Chapter 72	Iron and steel; except for:	Manufacture from materials of any heading, except that of the product	Manufacture from materials of any heading, except that of the product and those of headings 7206 to 7229.
7207	Semi-finished products of iron or non-alloy steel	Manufacture from materials of any heading, except that of the product and 7206	(Rule of the Chapter)

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
7208 to 7216	Flat-rolled products, bars and rods, angles, shapes and sections of iron or non-alloy steel	Manufacture from materials of any heading, except 7208 to 7216	(Rule of the Chapter)
7217	Wire of iron or non-alloy steel	Manufacture from materials of any heading, except 7208 to 7217	(Rule of the Chapter)
7218 91 and 7218 99	Semi-finished products	Manufacture from materials of any heading, except that of the product and 7206	(Rule of the Chapter)
7219 to 7222	Flat-rolled products, bars and rods, angles, shapes and sections of stainless steel	Manufacture from materials of any heading, except 7219 to 7222	(Rule of the Chapter)
7223	Wire of stainless steel	Manufacture from materials of any heading, except 7219 to 7223	(Rule of the Chapter)
7224 90	Semi-finished products	Manufacture from materials of any heading, except that of the product and 7206	(Rule of the Chapter)
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	Manufacture from materials of any heading, except 7225 to 7228	(Rule of the Chapter)
7229	Wire of other alloy steel	Manufacture from materials of any heading, except 7225 to 7229	(Rule of the Chapter)
ex Chapter 73	Articles of iron or steel; except for:	Manufacture from materials of any heading, except that of the product	Manufacture from materials of any Chapter except that of the product and those of headings 7206 to 7229
ex 7301	Sheet piling	Manufacture from materials of heading 7206	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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	=
Ex 7304, 7305 and 7306	Tubes, pipes and hollow profiles, of iron (other than cast iron) or steel	Manufacture from materials of any chapter except that of the product and except 7213 to 7217, 7221 to 7223, 7225 to 7229	Rule of the Chapter
7306.40	Other pipes and tubes, welded, of circular cross-section, of iron or non-alloy steel, or of stainless steel	(Rule above)	PENDING
7306.30 and 7306.50	Iron or non-alloy steel (excluding cast iron); tubes and pipes (not seamless), welded, of circular cross-section, n.e.c. in chapter 73; Steel, alloy; tubes, pipes and hollow profiles (other than stainless steel or seamless), welded, of circular cross-section, n.e.c. in chapter 73	(Rule above)	PENDING
Ex 7307	Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel: - Of stainless steel (ISO No X5CrNiMo 1712), consisting of several parts	Turning, drilling, reaming, threading, deburring and sandblasting of forged blanks, provided that the total value of the forged blanks used does not exceed 35% of the ex-works price of the product	Rule of the Chapter

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
ex 7307	- Other	<i>(Rule of the Chapter)</i>	Rule of the Chapter
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 and 7301.	Manufacture from materials of any heading, except that of the product and those of headings 7201, 7206, 7218 and 7224
7309 to 7311	Reservoirs, tanks, vats and similar containers for any material (other than compressed or liquefied gas), of iron or steel, of a capacity exceeding 300 litres, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment; Tanks, casks, drums, cans, boxes and similar containers, for any material (other than compressed or liquefied gas), of iron or steel, of a capacity not exceeding 300 litres, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment ; Containers for compressed or liquefied gas, of iron or steel	<i>(Rule of the chapter)</i>	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

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
7312	Stranded wire, ropes, cables, plaited bands, slings and the like, of iron or steel, not electrically insulated:	<i>Rule of the chapter</i>	Rule of the Chapter
7313 and 7314	Barbed wire of iron or steel; twisted hoop or single flat wire, barbed or not, and loosely twisted double wire, of a kind used for fencing, of iron or steel; Cloth (including endless bands), grill, netting and fencing, of iron or steel wire; expanded metal of iron or steel	Rule of the chapter	Rule of the Chapter
ex 7315	Skid chain	Manufacture in which the value of all the materials of heading 7315 used does not exceed 50% of the ex-works price of the product	Rule of the Chapter
7317 and 7318	Nails, tacks, drawing pins, corrugated nails, staples (other than those of heading 8305) and similar articles, of iron or steel, whether or not with heads of other material, but excluding such articles with heads of copper; Screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel	<i>Rule of the chapter</i>	Rule of the Chapter

Limited

HS code	Description	EU proposal	Mercosur proposal
7321	Stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas rings, plate warmers and similar non-electric domestic appliances, and parts thereof, of iron or steel	<i>Rule of the chapter</i>	Manufacture: - from materials of any heading, except that of the product, and - in which the value of all the materials used does not exceed 40% of the ex-works price of the product
ex Chapter 74	Copper and articles thereof; except for:	Manufacture from materials of any heading, except that of the product	=
7403	Refined copper and copper alloys, unwrought	Manufacture from materials of any subheading, except that of the product	=
7410	Copper foil	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"	=
Chapter 75	Nickel and articles thereof;	Manufacture from materials of any heading, except that of the product	=
Chapter 76	Aluminium and articles thereof	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"	=
Chapter 77	Reserved for possible future use in the HS		
Chapter 78	Lead and articles thereof	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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Chapter 79	Zinc and articles thereof	Manufacture from materials of any heading, except that of the product	=
Chapter 80	Tin and articles thereof	Manufacture from materials of any heading, except that of the product	=
Chapter 81	Other base metals; cermets; articles thereof	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"	=
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	=
820590		Manufacture from materials of any heading, except those of the product. However, tools of headings 8205 may be incorporated into the set, provided that their total value does not exceed 15 % of the ex-works price of the set	

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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	<i>(Rule of the Chapter)</i>
8207.30			
ex 8211	Knives with cutting blades, serrated or not (including pruning knives), other than knives of heading 8208, and blades therefor	Manufacture from materials of any heading, except that of the product. However, knife blades and handles of base metal may be used	<i>(Rule of the Chapter)</i>
8214	Other articles of cutlery (for example, hair clippers, butchers' or kitchen cleavers, choppers and mincing knives, paper knives); manicure or pedicure sets and instruments (including nail files)	Manufacture from materials of any heading, except that of the product. However, handles of base metal may be used	<i>(Rule of the Chapter)</i>

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
8215	Spoons, forks, ladles, skimmers, cake-servers, fish-knives, butter-knives, sugar tongs and similar kitchen or tableware	Manufacture from materials of any heading, except that of the product. However, handles of base metal may be used	<i>(Rule of the Chapter)</i>
ex Chapter 83	Miscellaneous articles 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	Manufacture from materials of any heading, except that of the product
ex 8302	Other mountings, fittings and similar articles suitable for buildings, and automatic door closers	<i>Rule of the chapter</i>	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price
8305	<i>Fittings for loose-leaf binders or files, letter clips, letter corners, paper clips, indexing tags and similar office articles, of base metal; staples in strips (for example, for offices, upholstery, packaging), of base metal</i>	<i>(Rule of the Chapter)</i>	Manufacture from materials of any heading except that of the product and those of headings 7206 to 7229

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
8311	Wire, rods, tubes, plates, electrodes and similar products, of base metal or of metal carbides, coated or cored with flux material, of a kind used for soldering, brazing, welding or deposition of metal or of metal carbides; wire and rods, of agglomerated base metal powder, used for metal spraying	=	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 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 50% of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
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	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
8408	Compression-ignition internal combustion piston engines (diesel or semi-diesel engines)	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
Ex 8409.91	"electronic injection"	(Rule of the Chapter)	I.- Assembly and welding of all the components in printed circuit boards; II.- Assembly of the electrical and mechanical parts, totally disaggregated, at the basic level of components, III.- Integration of printed circuit boards and electrical and mechanical parts, assembled according to subsections I and II.

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
8425- 8430	Pulley tackle and hoists other than skip hoists; winches and capstans; jacks: Ships' derricks; cranes, including cable cranes; mobile lifting frames, straddle carriers and works trucks fitted with a crane Fork-lift trucks; other works trucks fitted with lifting or handling equipment Other lifting, handling, loading or unloading machinery Self-propelled bulldozers, angledozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and roadrollers Other moving, grading, levelling, scraping, excavating, tamping, compacting, extracting or boring machinery, for earth, minerals or ores; piledrivers and pile extractors; snowploughs and snowblowers	Manufacture from materials of any heading, except that of the product and heading 8431 OR Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	Rule of the Chapter
8443.31		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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Ex 8443.32	Other, capable of connecting to an automatic data processing machine or to a network	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 8443.99	Printed circuit with electric or electronic mounted components	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	=
8444-8447	Machines for extruding, drawing, texturing or cutting man-made textile materials: Machines for preparing textile fibres; spinning, doubling or twisting machines and other machinery for producing textile yarns; textile reeling or winding (including weft-winding) machines and machines for preparing textile yarns for use on the machines of heading 8446 or 8447 Weaving machines (looms): Knitting machines, stitch-bonding machines and machines for making gimped yarn, tulle, lace, embroidery, trimmings, braid or net and machines for tufting	Manufacture from materials of any heading, except that of the product and heading 8448 OR Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	Rule of the Chapter

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
8456-8465	Machine tools for working any material by removal of material, by laser or other light or photon beam, ultrasonic, electrodischarge, electrochemical, electron beam, ionic-beam or plasma arc processes; water-jet cutting machines Machining centres, unit construction machines (single station) and multi-station transfer machines, for working metal Lathes for removing metal Machine tools	Manufacture from materials of any heading, except that of the product and heading 8466 OR Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	Rule of the Chapter
8470.50	Cash registers	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	=
8471	Automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data, not elsewhere specified or included.	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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
8469-8472	Typewriters other than printers of heading 8443; word-processing machines Calculating machines and pocket-size data-recording, reproducing and displaying machines with calculating functions; accounting machines, postage- franking machines, ticket-issuing machines and similar machines, incorporating a calculating device; cash registers Automatic data-processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data Other office machines	Manufacture from materials of any heading, except that of the product and heading 8473 OR Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	Rule of the Chapter
Ex 8473.29	Ex "Printed circuits with mounted electric or electronic components, for cash registers"	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 8473.30	Printed circuits with mounted electric or electronic components	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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Ex 8473.30	Ex "Displays for portable automatic data processing machines"	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 8473.40	Ex "Printed circuits with mounted electric or electronic components"	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 8473.50	Ex "Printed circuits with mounted electric or electronic components"	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 8473.50	Ex "Storage modules of a surface area not exceeding 50 cm2"	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	=
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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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 50% of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
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	<i>(Rule of the Chapter)</i>
Ex 8504.40	UPS (uninterrupted power supplies) or no-break equipment	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	=
8517.12	Telephones for cellular networks and for other wireless networks	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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Ex 8517.61	Base stations	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 8517.62	Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus	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 8517.69	Other	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 8517.70	Printed circuits with mounted electric or electronic components	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	=

Limited

HS code	Description	EU proposal	Mercosur proposal
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 50% of the ex-works price of the product	<i>(Rule of the Chapter)</i>
8521	Video recording or reproducing apparatus, whether or not incorporating a video tuner	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	=
8523.52	"Smart cards"	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	=
8523.59	"Cards and labels of drive for approach"	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	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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 other video camera recorders	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	=
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	<i>(Rule of the Chapter)</i>
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, OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product	=

Limited

HS code	Description	EU proposal	Mercosur proposal
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	I. Assembly and welding of all components on the printed circuit board that implements the Central Processing function (main board); II. Integration of the printed circuit board assembled in accordance with subsection I, other printed circuit boards (if any) and other electrical, mechanical and subassembly parts in the final product format, and III. Final product configuration, software installation (when applicable) and functional tests-
Ex 8529.90	"Printed circuits with mounted electric or electronic components"	(Rule of the Chapter)	I. Assembly and welding of all components on printed circuit board; II. Final product configuration, software installation (when applicable) and functional tests.
Ex 8530.10	"Digital traffic control equipment for railways or tramways"	(Rule of the Chapter)	I. Assembly and welding of all components on the printed circuit board that implements the Central Processing function (main board); II. Integration of the printed circuit board assembled in accordance with subsection I, other printed circuit boards (if any) and other electrical, mechanical and subassembly parts in the final product format, and III. Final product configuration, software installation (when applicable) and functional tests.

Limited

HS code	Description	EU proposal	Mercosur proposal
Ex 8530.80	"Other digital traffic control equipment for roads"	(Rule of the Chapter)	I. Assembly and welding of all components on the printed circuit board that implements the Central Processing function (main board); II. Integration of the printed circuit board assembled in accordance with subsection I, other printed circuit boards (if any) and other electrical, mechanical and subassembly parts in the final product format, and III. Final product configuration, software installation (when applicable) and functional tests.
Ex 8531.20	Indicator panels incorporating liquid crystal devices (LCD) or light emitting diodes (LED)	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	=
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	<i>(Rule of the Chapter)</i>

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
8537.10	"For a voltage not exceeding 1,000 V"	(Rule above)	I. Assembly and welding of all components on the printed circuit board that implements the Central Processing function (main board); II. Integration of the printed circuit board assembled in accordance with subsection I, other printed circuit boards (if any) and other electrical, mechanical and subassembly parts in the final product format, and III. Final product configuration, software installation (when applicable) and functional tests.
Ex 8538.90	"Printed circuits with mounted electric or electronic components"	(Rule of the Chapter)	I. Assembly and welding of all components on printed circuit board; II. Final product configuration, software installation (when applicable) and functional tests.
8542 31 to 8542 39	- Monolithic integrated circuits	<p>Manufacture in which the value of all the materials used does not exceed- 50 %of the ex-works price of the product</p> <p>OR</p> <p>The operation of diffusion (in which integrated circuits are formed on a semi-conductor substrate by the selective introduction of an appropriate dopant), whether or not assembled and/or tested in a non-party</p>	<i>(Rule of the Chapter)</i>

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
Ex 8543.70	"Other machines and apparatus, radio frequency's amplifier (or receiver)" "Machines and apparatus for video support" "Transcoders or converters of television standard" "Aerial simulators for transmitters of an output exceeding 25kw (fictive load)" "Text terminals of a kind that operates with Baudot transmission code, provided with alphanumeric keyboard and a display, for acoustic attachment to a telephone"	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	=
8544	Insulated (including enamelled or anodised) wire, cable (including coaxial cable) and other insulated electric conductors, whether or not fitted with connectors; optical fibre cables, made up of individually sheathed fibres, whether or not assembled with electric conductors or fitted with connectors	Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	Rule of the Chapter
8544.70	Optical fiber cables, made up of individually sheathed fibers, whether or not assembled with electric conductors or fitted with connectors		<i>MCS is evaluating a new rule for this subheading.</i>
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- 50 %of the ex-works price of the product	Rule of the Chapter

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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	<i>Rule of the Chapter</i>
8547	Insulating fittings for electrical machines, appliances or equipment, being fittings wholly of insulating materials apart from any minor components of metal (for example, threaded sockets) incorporated during moulding solely for purposes of assembly, other than insulators of heading 8546; electrical conduit tubing and joints therefor, of base metal lined with insulating material	Manufacture in which the value of all the materials used does not exceed-50 %of the ex-works price of the product	<i>Rule of the Chapter</i>
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	<i>Rule of the Chapter</i>
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 40% of the ex-works price of the product	=
ex Chapter 87	Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof; except for:	Manufacture in which the value of all the materials used does not exceed-45% of the ex-works price of the product	<i>PENDING</i>

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
8708	Parts and accessories for vehicles of headings 8701 to 8705	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 50% of the ex-work price of the product	<i>PENDING</i>
8711 8713 to 8716	Motorcycles carriages baby carriages, trailers and semitrailers, and parts thereof, 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	<i>PENDING</i>
Chapter 88	Aircraft, spacecraft, 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 40% of the ex-works price of the product	=
Chapter 89	Ships, boats and floating structures	Manufacture from materials of any-chapter except that of the product. OR Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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 50% of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product
9001.10	Optical fibers, bundles and cables of optical fibers		<i>MCS is evaluating a new rule for this subheading.</i>
9001 50	Spectacle lenses of other materials than glass	Manufacture from materials of any heading, except that of the product OR Manufacture in which one of the following operations is made: - surfacing of the semi-finished lens into a finished ophthalmic lens with optical corrective power meant to be mounted on a pair of spectacles - coating of the lens through appropriated treatments to improve vision and ensure protection of the wearer OR Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
9030.20, 9030.33, 9030.39, 9030.40, 9030.82, 9030.84, 9030.89, 9031.80 and 9032.89			I. Assembly and welding of all components on the printed circuit board that implements the Central Processing function (main board); II. Integration of the printed circuit board assembled in accordance with subsection I, other printed circuit boards (if any) and other electrical, mechanical and subassembly parts in the final product format, and III. Final product configuration, software installation (when applicable) and functional tests.
9032.90			I. Assembly and welding of all components on printed circuit board; II. Final product configuration, software installation (when applicable) and functional tests.
ex Chapter 91	Clocks and watches and parts thereof; except for:	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product	=
Chapter 92	Musical instruments; parts and accessories of such articles	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product	=
Chapter 93	Arms and ammunition; parts and accessories thereof	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product	=

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
ex 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; 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 40% of the ex-works price of the product	=
9401	Seats (not those of heading no. 9402), whether or not convertible into beds and parts thereof	<i>(Rule of the Chapter)</i>	
9406	Prefabricated buildings	=	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
ex Chapter 95	Toys, games and sports requisites; parts and accessories thereof; except for:	Manufacture from materials of any heading, except that of the product OR Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product	=
9504.30	Other games, operated by coins, banknotes, bank cards, tokens or by any other means of payment, other than automatic bowling alley equipment	=	Manufacture in which the value of all the materials used does not exceed 45% of the ex-works price of the product
9506,91	Articles and equipment for general physical exercise, gymnastics or athletics	=	Manufacture in which the value of all the materials used does not exceed 45% of the ex-works price of the product

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
ex Chapter 96	Miscellaneous manufactured articles; except for:		=
ex 9601 and ex 9602	Articles of animal, vegetable or mineral carving materials	Manufacture from "worked" carving materials of the same heading as the product	=
ex 9603	Brooms and brushes (except for besoms and the like and brushes made from marten or squirrel hair), hand-operated mechanical floor sweepers, not motorized, paint pads and rollers, squeegees and mops	Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product	=
9605	Travel sets for personal toilet, sewing or shoe or clothes cleaning	Each item in the set must satisfy the rule which would apply to it if it were not included in the set. However, non-originating articles may be incorporated, provided that their total value does not exceed 15% of the ex-works price of the set	=
9606	Buttons, press-fasteners, snap-fasteners and press-studs, button moulds and other parts of these articles; button blanks	Manufacture:- from materials of any heading, except that of the product, and-in which the value of all the materials used does not exceed 50% of the ex-works price of the product	=
9607	Slide fasteners and parts thereof	=	Manufacture:- from materials of any heading, except that of the product, and-in which the value of all the materials used does not exceed 50% of the ex-works price of the product

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
9608	Ball-point pens; felt-tipped and other porous-tipped pens and markers; fountain pens, stylograph pens and other pens; duplicating stylos; propelling or sliding pencils; pen-holders, pencil-holders and similar holders; parts (including caps and clips) of the foregoing articles, other than those of heading 9609	Manufacture from materials of any heading, except that of the product. However, nibs or nib-points of the same heading as the product may be used	=
9612	Typewriter or similar ribbons, inked or otherwise prepared for giving impressions, whether or not on spools or in cartridges; ink-pads, whether or not inked, with or without boxes	Manufacture: - from materials of any heading, except that of the product, and - in which the value of all the materials used does not exceed 50% of the ex-works price of the product	=
9613.80 and 9613.90	Cigarette lighters and other lighters, whether or not mechanical or electrical, and parts thereof other than flints and wicks, except pocket lighters, gas fuelled, non-refillable, pocket lighters, gas fuelled and refillable; parts	=	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 40% of the ex-works price of the product
ex 9614	Smoking pipes and pipe bowls	Manufacture from roughly-shaped blocks	=
Chapter 97	Works of art, collectors' pieces and antiques	Manufacture from materials of any heading, except that of the product	=

EU NOTES

MERCOSUR NOTES

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
[1]	For the special conditions relating to "specific processes", see Introductory Notes 7.1 and 7.3.	(1)	Chemical reaction: is a process (including a biochemical process) which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds or by altering the spatial arrangement of atoms in a molecule. MIXTURES: is a deliberate and proportionally controlled mixing of materials to conform to predetermined specifications, which cannot be performed as a single formula, and that results in the production of a good having properties different from the input materials is to be considered to be origin conferring, however the addition, whether or not in combination, of diluents only or of the additives enumerated is to be disregarded in determining the origin of the good.
[2]	For the special conditions relating to "specific processes", see Introductory Note 7.2.	(2)	

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
[3]	For the special conditions relating to "specific processes", see Introductory Note 7.2.	(3)	<p>Purification: is the elimination of existing impurities for one or more separation processes, according predetermined specifications, considering impurities as substances in which the association with a new chemical compound, results, exclusive and directly, from the production process. These substances can be originated from any of the essential production components as:</p> <p>a) input products not converted; b) impurities contained in the input products; c) reagents used in the production process; and, d) subproducts.</p>
[4]	For the special conditions relating to "specific processes", see Introductory Note 7.2.	(4)	<p>Milling, pulverization and micronization: The deliberate and controlled reduction in particle size of a good, resulting in a good having a defined particle size, defined particle size distribution or defined surface area, which can modify the use or the operational outwork.</p> <p>Standard materials: are preparations suitable for analytical, calibrating or referencing uses having precise degrees of purity or proportions which are certified by the manufacturer. The production of standard materials is to be considered as origin conferring.</p>
[5]	For the special conditions relating to "specific processes", see Introductory Notes 7.1 and 7.3.	(5)	<p>Isomer Separation: The isolation or separation of isomers from a mixture of isomers is to be considered as origin conferring.</p>
[6]	For the special conditions relating to "specific processes", see Introductory Notes 7.1 and 7.3.	(6)	

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
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[7]

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

Minimal operations or processes: The following operations or processes are not considered to be minimal operation or process: Dissolution (included dissolution and dissolution concentration); Dissection; Hydration / Dehydration: addition of water molecules from crystallisation in dehydrated substances or elimination of water molecules from hydrated substances; Crystallisation or Recrystallisation, except the elimination of impurities; Addition of antipowder, stabilizers, colouring matters and fragrances, which are relevant to the purposes or uses to facilitate the identification of the good or for security reasons in transport or handle chemicals properly, since the addition of these products makes the resulting product suitable for specific uses; Change of the physical state; Put up in forms or packings for use solely for direct domestic health purposes.

(7)

[8]

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

(*) Thus understood as a chemical reaction are processes (including biochemical processes) that result in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of the atoms in the molecule.

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
[9]	For the special conditions relating to "specific processes", see Introductory Notes 7.1 and 7.3.		
[10]	Note 3 to Chapter 32 says that these preparations are those of a kind used for colouring any material or used as ingredients in the manufacture of colouring preparations, provided that they are not classified in another heading in Chapter 32.		
[11]	For the special conditions relating to "specific processes", see Introductory Notes 7.1 and 7.3.		
[12]	In the case of the products composed of materials classified within both headings 3901 to 3906, on the one hand, and within headings 3907 to 3911, on the other hand, this restriction only applies to that group of materials which predominates by weight in the product.		
[13]	The following foils shall be considered as highly transparent: foils, the optical dimming of which, measured according to ASTM-D 1003-16 by Gardner Hazemeter (i.e. Hazefactor), is less than 2%.		
[14]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		

Limited

HS code	Description	EU proposal	Mercosur proposal
<u>[15]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[16]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[17]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[18]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[19]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[20]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[21]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[22]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[23]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		

Limited

HS code	Description	EU proposal	Mercosur proposal
[24]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[25]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[26]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[27]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[28]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[29]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[30]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[31]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[32]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		

Limited

HS code	Description	EU proposal	Mercosur proposal
<u>[33]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[34]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[35]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[36]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[37]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[38]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[39]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[40]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[41]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		

Limited

HS code	Description	EU proposal	Mercosur proposal
[42]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[43]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[44]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[45]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[46]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[47]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[48]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[49]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[50]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		

Limited

HS code	Description	EU proposal	Mercosur proposal
<u>[51]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[52]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[53]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[54]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[55]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[56]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[57]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[58]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
<u>[59]</u>	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		

Limited

HS code	Description	EU proposal	Mercosur proposal
[60]	For special conditions relating to products made of a mixture of textile materials, see Introductory note 5		
[61]	The use of this material is restricted to the manufacture of woven fabrics of a kind used in paper-making machinery.		
[62]	For special conditions relating to products made of a mixture of textile materials, see Introductory note 5		
[63]	The use of this material is restricted to the manufacture of woven fabrics of a kind used in paper-making machinery.		
[64]	The use of this material is restricted to the manufacture of woven fabrics of a kind used in paper-making machinery.		
[65]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[66]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[67]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[68]	See Introductory Note 6.		
[69]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[70]	See Introductory Note 6.		

Limited

Limited

HS code	Description	EU proposal	Mercosur proposal
[71]	See Introductory Note 6.		
[72]	See Introductory Note 6.		
[73]	See Introductory Note 6.		
[74]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[75]	See Introductory Note 6.		
[76]	See Introductory Note 6.		
[77]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[78]	See Introductory Note 6.		
[79]	See Introductory Note 6.		
[80]	See Introductory Note 6.		
[81]	See Introductory Note 6.		
[82]	See Introductory Note 6.		
[83]	See Introductory Note 6.		
[84]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[85]	See Introductory Note 6.		
[86]	For knitted or crocheted articles, not elastic or rubberised, obtained by sewing or assembling pieces of knitted or crocheted fabrics (cut out or knitted directly to shape), see Introductory Note 6.		
[87]	See Introductory Note 6.		

Limited

HS code	Description	EU proposal	Mercosur proposal
[88]	For knitted or crocheted articles, not elastic or rubberised, obtained by sewing or assembling pieces of knitted or crocheted fabrics (cut out or knitted directly to shape), see Introductory Note 6.		
[89]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[90]	For special conditions relating to products made of a mixture of textile materials, see Introductory note 5		
[91]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[92]	See Introductory Note 6.		
[93]	For special conditions relating to products made of a mixture of textile materials, see Introductory Note 5.		
[94]	See Introductory Note 6.		
[95]	For special conditions relating to products made of a mixture of textile materials, see Introductory note 5		
[96]	For special conditions relating to products made of a mixture of textile materials, see Introductory note 5		
[97]	SEMII – Semiconductor Equipment and Materials Institute Incorporated.		

