

APPENDIX 1 TO ANNEX IV

INTRODUCTORY NOTES TO THE LIST IN APPENDIX 2

Note 1:

The list sets out the conditions required for all products to be considered as sufficiently worked or processed within the meaning of Article 5 of Annex IV.

Note 2:

- 2.1 The first two columns in the list describe the product obtained. The first column gives the heading number or Chapter number used in the Harmonized System and the second column gives the description of goods used in that system for that heading or Chapter. For each entry in the first two columns a rule is specified in columns 3 or 4. Where, in some cases, the entry in the first column is preceded by an 'ex', this signifies that the rules in columns 3 or 4 apply only to the part of that heading as described in column 2.
- 2.2 Where several heading numbers are grouped together in column 1 or a Chapter number is given and the description of products in column 2 is therefore given in general terms, the adjacent rules in columns 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 columns 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 has to be applied.

Note 3:

- 3.1 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.

- 3.2 Without prejudice to Note 3.1, where a rule states that "materials of any heading" may be used, materials of the same heading as the product may also be used, subject, however, to any specific limitations which may also be contained in the rule. However, the expression "manufacture from materials of other headings, including other materials of heading No ... " means that only materials classified in the same heading as the product of a different description than that of the product as given in column 2 of the list may be used.
- 3.3 When a rule in the list specifies that a product may be manufactured from more than one material, this means that any one or more materials may be used. It does not require that all be used.
- 3.4 Where a rule in the list specifies that a product must be manufactured from a particular material, the condition does not prevent the use of other materials which, because of their inherent nature, cannot satisfy the rule.
