

# Agricultural Agreement between the United Mexican States and the Republic of Iceland

## ARTICLE 1

This Agreement concerning trade in agricultural products between the United Mexican States (hereinafter called Mexico) and the Republic of Iceland (hereinafter called Iceland) is concluded further to the Free Trade Agreement between Mexico and the EFTA States, which was signed on November 27, 2000, and in particular pursuant to Article 4 (Coverage) of that Agreement.

## ARTICLE 2

Mexico shall grant tariff concessions to agricultural products originating in Iceland as specified in Annex I. Iceland shall grant tariff concessions to agricultural products originating in Mexico as specified in Annex II.

## ARTICLE 3

The rules of origin and provisions on proof of origin and administrative co-operation applicable to this Agreement are set out in Annex III.

## ARTICLE 4

The Parties declare their readiness to discuss in the future expanding the range of market access concessions on agricultural products.

## ARTICLE 5

The provisions of Articles 6 (Customs duties, paragraphs 4 and 5), 7 (Import and export restrictions), 8 (National treatment on internal taxation and regulation), 9 (Sanitary and phytosanitary measures), 10 (Technical regulations), 12 (State trading enterprises), 13 (Anti-dumping), 14 (Safeguards), 15 (Shortage clause), 16 (Balance of payments difficulties), 17 (General exceptions) and 18 (Security exceptions) of the Free Trade Agreement between Mexico and the EFTA States shall apply to products covered by this Agreement.

ARTICLE 6

1. The Parties shall not apply export subsidies, as defined in Article 9 of the WTO Agreement on Agriculture, in their bilateral trade on products subject to tariff concessions in accordance with Article 2.
2. The Parties shall provide in a transparent and expeditious manner the necessary information to allow them to monitor compliance with paragraph 1.

ARTICLE 7

Should a Party introduce or re-introduce a subsidy on exports of a product subject to a tariff concession in accordance with Article 2, that is traded with the other Party, that other Party may increase the rate of duty on such imports up to the applied most-favoured-nation tariff in effect at that time.

ARTICLE 8

For agricultural products other than those mentioned in Annex I and Annex II, the Parties reaffirm their rights and obligations in respect of market access concessions and export subsidy commitments under the WTO Agreement on Agriculture.

ARTICLE 9

The rights and obligations of the Parties relating to domestic support commitments shall be governed by the WTO Agreement on Agriculture.

ARTICLE 10

Provisions on the mutual recognition and protection of designations for spirit drinks between Mexico and Iceland are specified in Annex IV.

ARTICLE 11

The provisions of Chapter VIII of the Free Trade Agreement between Mexico and the EFTA States, on the settlement of disputes, shall apply for the purposes of this Agreement only between the Parties hereto.

ARTICLE 12

1. This Agreement is subject to ratification, acceptance or approval.
2. This Agreement shall enter into force on the same date as the Free Trade Agreement between Mexico and the EFTA States.
3. This Agreement may be provisionally applied subject to the provisional application of the Free Trade Agreement between Mexico and the EFTA States.

ARTICLE 13

This Agreement shall remain in force as long as the Parties to it remain Parties to the Free Trade Agreement between Mexico and the EFTA States.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto, have signed this Agreement.

Done at Mexico City, this 27<sup>th</sup> day of November 2000, in two original copies in the English and Spanish languages, both texts being equally authentic. In case of conflict the English version shall prevail.

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For the United Mexican States

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For the Republic of Iceland

## **Annex I**

1. Customs duties on imports into Mexico of products originating in Iceland listed in this Annex (Tariff Elimination Schedule of Mexico) under category “1” shall be eliminated on the date of entry into force of the Agricultural Agreement.

2. Customs duties on imports into Mexico of products originating in Iceland listed in this Annex (Tariff Elimination Schedule of Mexico) under category “2” shall be eliminated in accordance with the following schedule:

- (a) on the date of entry into force of this Agreement, each duty shall be reduced to 75 per cent of the basic duty;
- (b) one year after the date of entry into force of this Agreement, each duty shall be reduced to 50 per cent of the basic duty;
- (c) two years after the date of entry into force of this Agreement, each duty shall be reduced to 25 per cent of the basic duty; and
- (d) three years after the date of entry into force of this Agreement, the remaining duties shall be completely eliminated.

3. Customs duties on imports into Mexico of products originating in Iceland listed in this Annex (Tariff Elimination Schedule of Mexico) under category “3” shall be eliminated in accordance with the following schedule:

- (a) on the date of entry into force of this Agreement, each duty shall be reduced to 89 per cent of the basic duty;
- (b) one year after the date of entry into force of this Agreement, each duty shall be reduced to 78 per cent of the basic duty;
- (c) two years after the date of entry into force of this Agreement, each duty shall be reduced to 67 per cent of the basic duty;
- (d) three years after the date of entry into force of this Agreement, each duty shall be reduced to 56 per cent of the basic duty;
- (e) four years after the date of entry into force of this Agreement, each duty shall be reduced to 45 per cent of the basic duty;
- (f) five years after the date of entry into force of this Agreement, each duty shall be reduced to 34 per cent of the basic duty;
- (g) six years after the date of entry into force of this Agreement, each duty shall be reduced to 23 per cent of the basic duty;
- (h) seven years after the date of entry into force of this Agreement, each duty shall be reduced to 12 per cent of the basic duty; and

- (i) eight years after the date of entry into force of this Agreement, the remaining duties shall be completely eliminated.

4. Customs duties on imports into Mexico of products originating in Iceland listed in this Annex (Tariff Elimination Schedule of Mexico) under category “4” shall be eliminated in accordance with the following schedule:

- (a) three years after the date of entry into force of this Agreement, each duty shall be reduced to 87 per cent of the basic duty;
- (b) four years after the date of entry into force of this Agreement, each duty shall be reduced to 75 per cent of the basic duty;
- (c) five years after the date of entry into force of this Agreement, each duty shall be reduced to 62 per cent of the basic duty;
- (d) six years after the date of entry into force of this Agreement, each duty shall be reduced to 50 per cent of the basic duty;
- (e) seven years after the date of entry into force of this Agreement, each duty shall be reduced to 37 per cent of the basic duty;
- (f) eight years after the date of entry into force of this Agreement, each duty shall be reduced to 25 per cent of the basic duty;
- (g) nine years after the date of entry into force of this Agreement, each duty shall be reduced to 12 per cent of the basic duty; and
- (h) ten years after the date of entry into force of this Agreement, the remaining duties shall be completely eliminated.

5. Mexico shall allow the importation of products originating in Iceland as of the date of entry into force of this Agreement, listed in this Annex (Tariff Elimination Schedule of Mexico) under category “6”, classified in item 2905.4401 “D-Glucitol (Sorbitol)” and item 3824.6001 “Sorbitol other than that of subheading 2905.4401” with a preferential customs duty no greater than 50 per cent of the MFN custom duty applicable at the time of importation to imports into Mexico of such products.

**ANNEX I - TARIFF ELIMINATION SCHEDULE OF MEXICO**

<b>Fracción</b>	<b>Descripción</b>	<b>Tasa Base</b>	<b>Categoría</b>
1	2	3	4
01	<b>ANIMALES VIVOS.</b>		
01.01	<b>Caballos, asnos, mulos y burdéganos, vivos.</b>		
	- Caballos:		
0101.11	-- Reproductores de raza pura.		
0101.11.01	Reproductores de raza pura.	13	1
0101.19	-- Los demás.		
0101.19.01	Para saltos o carreras.	23	1
0101.19.02	Sin pedigree para reproducción.	13	1
0101.19.99	Los demás.	23	1
07	<b>LEGUMBRES Y HORTALIZAS, PLANTAS, RAICES Y TUBERCULOS ALIMENTICIOS.</b>		
07.02	<b>Tomates frescos o refrigerados.</b>		
0702.00	- Tomates frescos o refrigerados.		
0702.00.01	Tomates "Cherry".	13	1
0702.00.99	Los demás.	13	1
07.03	<b>Cebollas, chalotes, ajos, puerros y demás hortalizas (incluso silvestres) aliáceas, frescos o refrigerados.</b>		
0703.10	- Cebollas y chalotes.		
0703.10.01	Cebollas.	13	1
0703.10.99	Las demás cebollas.	13	1
0703.20	- Ajos.		
0703.20.01	Ajos para siembra.	13	1
0703.20.99	Los demás ajos.	13	1
0703.90	- Puerros y demás hortalizas aliáceas.		
0703.90.01	Puerros y demás hortalizas aliáceas.	13	1
07.05	<b>Lechugas (Lactuca sativa) y achicorias, comprendidas la escarola y la endibia (Cichorium spp.), frescas o refrigeradas.</b>		
	- Lechugas:		
0705.11	-- Repolladas.		
0705.11.01	Repolladas.	13	1
07.07	<b>Pepinos y pepinillos, frescos o refrigerados.</b>		
0707.00	Pepinos y pepinillos, frescos o refrigerados.		
0707.00.01	Pepinos y pepinillos, frescos o refrigerados.	13	1
07.08	<b>Hortalizas (incluso silvestres) de vaina, aunque estén desvainadas, frescas o refrigeradas.</b>		
0708.10	- Chícharos (guisantes, arvejas) (Pisum sativum).		
0708.10.01	Chícharos (guisantes, arvejas) (Pisum sativum).	13	1
0708.20	- Frijoles (porotos, alubias, judías, fréjoles) (Vigna spp., Phaseolus spp.).		
0708.20.01	Frijoles (porotos, alubias, judías, fréjoles) (Vigna spp., Phaseolus spp.).	13	1
0708.90	- Las demás.		
0708.90.99	Las demás.	13	1
07.09	<b>Las demás hortalizas (incluso silvestres), frescas o refrigeradas.</b>		
0709.10	- Alcachofas (alcauciles).		
0709.10.01	Alcachofas (alcauciles).	13	1

Fracción	Descripción	Tasa Base	Categoría
1	2	3	4
0709.20	- Espárragos.		
0709.20.01	Espárrago blanco.	13	1
0709.20.99	Los demás espárragos.	13	1
	- Setas y demás hongos, y trufas:		
0709.52	-- Trufas.		
0709.52.01	Trufas.	13	1
0709.60	- Frutos de los géneros Capsicum o Pimenta.		
0709.60.01	Chile "Bell".	13	1
0709.60.99	Los demás frutos de los géneros Capsicum o Pimenta.	13	1
0709.70	- Espinacas (incluida la de Nueva Zelanda) y armuelles.		
0709.70.01	Espinacas (incluida la de Nueva Zelanda) y armuelles.	13	1
0709.90	- Las demás.		
0709.90.01	Elotes (maíz dulce).	13	1
0709.90.99	Las demás.	13	1
07.10	<b>Hortalizas (incluso silvestres), aunque estén cocidas en agua o vapor, congeladas.</b>		
	- Hortalizas de vaina, incluso desvainadas:		
0710.21	-- Chícharos (guisantes, arvejas) (Pisum sativum)		
0710.21.01	Chícharos (guisantes, arvejas) (Pisum sativum).	18	1
0710.22	-- Frijoles (porotos, alubias, judías, fréjoles) (Vigna spp., Phaseolus spp.).		
0710.22.01	Frijoles (porotos, alubias, judías, fréjoles) (Vigna spp., Phaseolus spp.).	18	1
0710.29	-- Las demás.		
0710.29.99	Las demás hortalizas de vaina.	18	1
0710.40	- Maíz dulce.		
0710.40.01	Maíz dulce.	18	1
0710.80	- Las demás hortalizas.		
0710.80.01	Cebollas.	23	1
0710.80.02	Setas.	18	1
0710.80.03	Coles de bruselas (repollitos), cortadas.	18	1
0710.80.04	Espárragos, brócolis y coliflores.	18	1
0710.80.99	Las demás.	18	1
0710.90	- Mezclas de hortalizas.		
0710.90.01	Mezclas de chícharos y nueces	18	1
0710.90.99	Los demás	18	1
07.11	<b>Hortalizas (incluso silvestres) conservadas provisionalmente (por ejemplo: con gas sulfuroso o con agua salada, sulfurosa o adicionada de otras sustancias para asegurar dicha conservación), pero todavía impropias para consumo inmediato.</b>		
0711.10	- Cebollas.		
0711.10.01	Cebollas.	18	1
0711.20	- Aceitunas.		
0711.20.01	Aceitunas.	18	1
07.12	<b>Hortalizas (incluso silvestres) secas, bien cortadas en trozos o en rodajas o bien trituradas o pulverizadas, pero sin otra preparación.</b>		
0712.20	- Cebollas.		
0712.20.01	Cebollas.	23	1
29.05	<b>Alcoholes acíclicos y sus derivados halogenados, sulfonados, nitrados o nitrosados.</b>		
2905.43	-- Manitol.		

Fracción	Descripción	Tasa Base	Categoría
1	2	3	4
2905.43.01	Manitol.	5	3
2905.44	-- D-glucitol (sorbitol).		
2905.44.01	D-glucitol (sorbitol).		6
33.01	<b>Aceites esenciales (deterpenados o no), incluidos los "concretos" o "absolutos"; resinoides; oleorresinas de extracción; disoluciones concentradas de aceites esenciales en grasas, aceites fijos, ceras o materias análogas, obtenidas por enflorado o m aceración; subproductos terpénicos residuales de la deterpenación de los aceites esenciales; destilados acuosos aromáticos y disoluciones acuosas de aceites esenciales.</b>		
	- Aceites esenciales de agrios (cítricos):		
3301.11	-- De bergamota.		
3301.11.01	De bergamota.	13	3
3301.12	-- De naranja.		
3301.12.01	De naranja.	18	3
3301.13	-- De limón.		
3301.13.01	De limón (Citrus Limón-L Burm).	18	3
3301.13.99	Los demás.	13	3
3301.14	-- De lima o limeta.		
3301.14.01	De lima (Citrus Limetoides Tan).	18	3
3301.14.02	De limón Mexicano (Citrus Aurantifolia- Christmann Swingle).	18	3
3301.14.99	Los demás.	13	3
3301.19	-- Los demás.		
3301.19.01	De citronela.	13	3
3301.19.02	De mandarina.	18	3
3301.19.03	De toronja.	18	3
3301.19.99	Los demás.	13	3
	- Aceites esenciales, excepto los de agrios (cítricos):		
3301.21	-- De geranio.		
3301.21.01	De geranio.	13	3
3301.22	-- De jazmín.		
3301.22.01	De jazmín.	13	3
3301.23	-- De lavanda (espliego) o de lavandín.		
3301.23.01	De lavanda (espliego) o de lavandín.	13	3
3301.24	-- De menta piperita (Mentha piperita).		
3301.24.01	De menta piperita (Mentha piperita).	13	3
3301.25	-- De las demás mentas.		
3301.25.99	De las demás mentas.	13	3
3301.26	-- De espicanardo ("vetiver").		
3301.26.01	De espicanardo ("vetiver").	13	3
3301.29	-- Los demás.		
3301.29.01	De hojas de canelo de Ceylan.	13	3
3301.29.02	De eucalipto; o, de nuez moscada.	Ex.	1
3301.29.99	Los demás.	13	3
3301.30	- Resinoides.		
3301.30.01	Resinoides.	13	3
3301.90	- Los demás.		
3301.90.01	Oleorresinas de extracción.	18	3
3301.90.02	Terpenos de cedro.	13	3
3301.90.03	Terpenos de toronja.	18	3
3301.90.04	Aguas destiladas aromáticas y soluciones acuosas de aceites esenciales.	23	3
3301.90.99	Los demás.	18	3



Fracción	Descripción	Tasa Base	Categoría
1	2	3	4
33.02	<b>Mezclas de sustancias odoríferas y mezclas (incluidas las disoluciones alcohólicas) a base de una o varias de estas sustancias, del tipo de las utilizadas como materias básicas para la industria; las demás preparaciones a base de sustancias odoríferas, del tipo de las utilizadas para la elaboración de bebidas.</b>		
3302.10	- Del tipo de las utilizadas en las industrias alimentarias o de bebidas.		
3302.10.01	Extractos y concentrados del tipo de los utilizados en la elaboración de bebidas que contengan alcohol, a base de sustancias odoríferas.	20	1
3302.10.02	Las demás preparaciones del tipo de las utilizadas en la elaboración de bebidas que contengan alcohol, a base de sustancias odoríferas.	30	1
3302.10.99	Los demás.	18	1
35.02	<b>Albúminas (incluidos los concentrados de varias proteínas de lactosuero, con un contenido de proteínas de lactosuero superior al 80% en peso, calculado sobre materia seca), albuminatos y demás derivados de las albúminas.</b>		
3502.20	- Ovoalbúmina: - Lactoalbúmina, incluidos los concentrados de dos o más proteínas del lactosuero.		
3502.20.01	Lactoalbúmina, incluidos los concentrados de dos o más proteínas del lactosuero.	18	1
3502.90	- Los demás.		
3502.90.99	Los demás.	18	3
35.03	<b>Gelatinas (aunque se presenten en hojas cuadradas o rectangulares, incluso trabajadas en la superficie o coloreadas) y sus derivados; ictiocola; las demás colas de origen animal, excepto las colas de caseína de la partida 35.01.</b>		
3503.00	Gelatinas (aunque se presenten en hojas cuadradas o rectangulares, incluso trabajadas en la superficie o coloreadas) y sus derivados; ictiocola; las demás colas de origen animal, excepto las colas de caseína de la partida 35.01.		
3503.00.01	Gelatina, excepto lo comprendido en las fracciones 3503.00.03 y 04.	18	4
3503.00.02	Colas de huesos o de pieles.	18	3
3503.00.03	De grado fotográfico.	5	3
3503.00.04	De grado farmacéutico.	18	3
3503.00.99	Los demás.	18	3
35.04	<b>Peptonas y sus derivados; las demás materias proteicas y sus derivados, no expresados ni comprendidos en otra parte; polvo de cueros y pieles, incluso tratado al cromo.</b>		
3504.00	Peptonas y sus derivados; las demás materias proteicas y sus derivados, no expresados ni comprendidos en otra parte; polvo de cueros y pieles, incluso tratado al cromo.		
3504.00.01	Peptonas.	18	1
3504.00.02	Peptonato ferroso.	13	1
3504.00.03	Proteínas vegetales puras; proteinato de sodio, proveniente de la soja, calidad farmacéutica.	3	1
3504.00.04	Concentrado de proteínas del embrión de semilla de algodón, cuyo contenido en proteínas sea igual o superior al 50%.	13	1
3504.00.05	Queratina.	13	1

Fracción	Descripción	Tasa Base	Categoría
1	2	3	4
3504.00.06	Aislados de proteína de soja.	13	4
3504.00.99	Los demás.	18	2
35.05	<b>Dextrina y demás almidones y féculas modificados (por ejemplo: almidones y féculas pregelatinizados o esterificados); colas a base de almidón, fécula, dextrina o demás almidones o féculas modificados.</b>		
3505.20	- Colas.		
3505.20.01	Colas.	18	2
38.09	<b>Aprestos y productos de acabado, aceleradores de tintura o de fijación de materias colorantes y demás productos y preparaciones (por ejemplo: aprestos y mor dientes), del tipo de los utilizados en la industria textil, del papel, del cuero o industrias similares, no expresados ni comprendidos en otra parte.</b>		
3809.10	- A base de materias amiláceas.		
3809.10.01	A base de materias amiláceas.	18	3
38.24	<b>Preparaciones aglutinantes para moldes o núcleos de fundición; productos químicos y preparaciones de la industria química o de las industrias conexas (incluidas las mezclas de productos naturales), no expresados ni comprendidos en otra parte; productos residuales de la industria química o de las industrias conexas, no expresados ni comprendidos en otra parte.</b>		
3824.60	- Sorbitol, excepto el de la subpartida 2905.44.		
3824.60.01	Sorbitol, excepto el de la subpartida 2905.44.		6
41.01	<b>Cueros y pieles, en bruto, de bovino o de equino (frescos o salados, secos, encalados, piquelados o conservados de otro modo, pero sin curtir, apergaminar ni preparar de otra forma), incluso depilados o divididos.</b>		
4101.10	- Cueros y pieles enteros de bovino, con un peso unitario inferior o igual a 8 Kg para los secos, a 10 Kg para los salados secos y a 14 Kg para los frescos, salados verdes (húmedos) o conservados de otro modo		
4101.10.01	Cueros y pieles enteros de bovino, con un peso unitario inferior o igual a 8 Kg para los secos, a 10 Kg para los salados secos y a 14 Kg para los frescos, salados verdes (húmedos) o conservados de otro modo.	3	1
4101.21	- Los demás cueros y pieles de bovino, frescos o salados verdes (húmedos): -- Enteros.		
4101.21.01	Enteros.	3	1
4101.22	-- Crupones y medios crupones.		
4101.22.01	Crupones y medios crupones.	3	1
4101.29	-- Los demás.		
4101.29.99	Los demás.	10	3
4101.30	- Los demás cueros y pieles, de bovino, conservados de otro modo.		
4101.30.99	Los demás cueros y pieles, de bovino, conservados de otro modo.	10	3
4101.40	- Cueros y pieles de equino.		
4101.40.01	Cueros y pieles de equino.	10	3

Fracción	Descripción	Tasa Base	Categoría
1	2	3	4
41.02	<b>Cueros y pieles en bruto, de ovino (frescos o salados, secos, encalados, piquelados o conservados de otro modo, pero sin curtir, apergaminar ni preparar de otra forma), incluso depilados o divididos, excepto los excluidos por la Nota 1 c) de este Capítulo.</b>		
4102.10	- Con lana.		
4102.10.01	Con lana.	3	1
	- Sin lana (depilados):		
4102.21	-- Piquelados.		
4102.21.01	Piquelados.	3	1
4102.29	-- Los demás.		
4102.29.99	Los demás.	10	3
41.03	<b>Los demás cueros y pieles, en bruto (frescos o salados, secos, encalados, piquelados o conservados de otro modo, pero sin curtir, apergaminar ni preparar de otra forma), incluso depilados o divididos, excepto los excluidos por las Notas 1 b) ó 1 c) de este Capítulo.</b>		
4103.10	- De caprino.		
4103.10.01	De caprino.	3	1
4103.20	- De reptil.		
4103.20.01	De reptil.	10	3
4103.90	- Los demás.		
4103.90.01	De porcino.	10	3
4103.90.99	Los demás.	13	3
43.01	<b>Peletería en bruto (incluidas las cabezas, colas, patas y demás trozos utilizables en peletería), excepto las pieles en bruto de las partidas 41.01, 41.02 ó 41.03.</b>		
4301.10	- De visón, enteras, incluso sin la cabeza, cola o patas.		
4301.10.01	De visón, enteras incluso sin la cabeza, cola o patas.	13	1
4301.20	- De conejo o liebre, enteras, incluso sin la cabeza, cola o patas.		
4301.20.01	De conejo o liebre, enteras, incluso sin la cabeza, cola o patas.	13	1
4301.30	- De cordero llamadas "astracán", "Breitschwanz", "caracul", "persa" o similares, de corderos de Indias, de China, de Mongolia o del Tibet, enteras, incluso sin la cabeza, cola o patas.		
4301.30.01	De cordero llamadas "astracán", "Breitschwanz", "caracul", "persa" o similares, de corderos de Indias, de China, de Mongolia o del Tibet, enteras, incluso sin la cabeza, cola o patas.	13	1
4301.40	- De castor, enteras, incluso sin la cabeza, cola o patas.		
4301.40.01	De castor, enteras, incluso sin la cabeza, cola o patas.	13	1
4301.50	- De rata almizclera, enteras, incluso sin la cabeza, cola o patas.		
4301.50.01	De rata almizclera, enteras, incluso sin la cabeza, cola o patas.	13	1
4301.60	- De zorro, enteras, incluso sin la cabeza, cola o patas.		
4301.60.01	De zorro, enteras, incluso sin la cabeza, cola o patas.	13	1
4301.70	- De foca u otaria, enteras, incluso sin la cabeza, cola o patas.		
4301.70.01	De foca u otaria, enteras, incluso sin la cabeza, cola o patas.	13	1
4301.80	- Las demás pieles, enteras, incluso sin la cabeza, cola o patas.		
4301.80.01	De carpincho.	13	1
4301.80.02	De alpaca (nonato).	13	1
4301.80.99	Las demás.	13	1

Fracción	Descripción	Tasa Base	Categoría
1	2	3	4
4301.90	- Cabezas, colas, patas y demás trozos utilizables en peletería.		
4301.90.01	Cabezas, colas, patas y demás trozos utilizables en peletería.	13	1
50.01	<b>Capullos de seda aptos para el devanado.</b>		
5001.00	Capullos de seda aptos para el devanado.		
5001.00.01	Capullos de seda aptos para el devanado.	13	1
50.02	<b>Seda cruda (sin torcer).</b>		
5002.00	Seda cruda (sin torcer).		
5002.00.01	Seda cruda (sin torcer).	13	1
50.03	<b>Desperdicios de seda (incluidos los capullos no aptos para el devanado, desperdicios de hilados e hilachas).</b>		
5003.10	- Sin cardar ni peinar.		
5003.10.01	Sin cardar ni peinar.	13	1
5003.90	- Los demás.		
5003.90.99	Los demás.	13	1
51.01	<b>Lana sin cardar ni peinar.</b>		
	- Lana sucia, incluida la lavada en vivo:		
5101.11	-- Lana esquilada.		
5101.11.01	Cuyo rendimiento en fibra sea igual o inferior al 75%.	3	1
5101.11.99	Los demás.	3	1
5101.19	-- Las demás.		
5101.19.01	Cuyo rendimiento en fibra sea igual o inferior al 75%.	10	3
5101.19.99	Los demás.	13	3
	- Desgrasada, sin carbonizar:		
5101.21	-- Lana esquilada.		
5101.21.01	Cuyo rendimiento en fibra sea igual o inferior al 75%.	3	1
5101.21.99	Los demás.	3	1
5101.29	-- Las demás.		
5101.29.01	Cuyo rendimiento en fibra sea igual o inferior al 75%.	3	1
5101.29.99	Los demás.	3	1
5101.30	- Carbonizada.		
5101.30.01	Cuyo rendimiento en fibra sea igual o inferior al 75%.	3	1
5101.30.99	Los demás.	3	1
51.02	<b>Pelo fino u ordinario, sin cardar ni peinar.</b>		
5102.10	- Pelo fino.		
5102.10.01	De cabra de Angora (mohair).	13	1
5102.10.02	De conejo o de liebre.	13	3
5102.10.99	Los demás.	13	3
5102.20	- Pelo ordinario.		
5102.20.01	De cabra común.	13	3
5102.20.99	Los demás.	13	3
51.03	<b>Desperdicios de lana o pelo fino u ordinario, incluidos los desperdicios de hilados, excepto las hilachas.</b>		
5103.10	- Borrás del peinado de lana o pelo fino.		
5103.10.01	De lana, provenientes de peñadoras ("blousses").	3	1
5103.10.02	De lana limpia, excepto provenientes de peñadoras ("blousses").	13	3
5103.10.99	Los demás.	13	3
5103.20	- Los demás desperdicios de lana o pelo fino.		
5103.20.01	De lana, provenientes de peñadoras ("blousses").	3	1
5103.20.02	De lana limpia, excepto provenientes de peñadoras ("blousses").	13	3
5103.20.99	Los demás.	13	1
5103.30	- Desperdicios de pelo ordinario.		
5103.30.01	Desperdicios de pelo ordinario.	13	3

<b>Fracción</b>	<b>Descripción</b>	<b>Tasa Base</b>	<b>Categoría</b>
1	2	3	4
52.01	<b>Algodón sin cardar ni peinar.</b>		
5201.00	Algodón sin cardar ni peinar.		
5201.00.01	Con pepita.	13	3
5201.00.02	Sin pepita, de fibra con más de 29 mm de longitud.	13	3
5201.00.99	Los demás.	3	1
52.02	<b>Desperdicios de algodón (incluidos los desperdicios de hilados y las hilachas).</b>		
5202.10	- Desperdicios de hilados.		
5202.10.01	Desperdicios de hilados.	13	3
	- Los demás:		
5202.91	-- Hilachas.		
5202.91.01	Hilachas.	13	3
5202.99	-- Los demás.		
5202.99.01	Borra.	13	4
5202.99.99	Los demás.	13	3
52.03	<b>Algodón cardado o peinado.</b>		
5203.00	Algodón cardado o peinado.		
5203.00.01	Algodón cardado o peinado.	13	3
53.01	<b>Lino en bruto o trabajado, pero sin hilar; estopas y desperdicios, de lino (incluidos los desperdicios de hilados y las hilachas).</b>		
5301.10	- Lino en bruto o enriado.		
5301.10.01	Lino en bruto o enriado.	3	1
	- Lino agramado, espadado, peinado o trabajado de otro modo, pero sin hilar:		
5301.21	-- Agramado o espadado.		
5301.21.01	Agramado o espadado.	3	1
5301.29	-- Los demás.		
5301.29.99	Los demás.	3	1
5301.30	- Estopas y desperdicios, de lino.		
5301.30.01	Estopas y desperdicios, de lino.	3	1
53.02	<b>Cáñamo (Cannabis sativa L.) en bruto o trabajado, pero sin hilar; estopas y desperdicios, de cáñamo (incluidos los desperdicios de hilados y las hilachas).</b>		
5302.10	- Cáñamo en bruto o enriado.		
5302.10.01	Cáñamo en bruto o enriado.	13	3
5302.90	- Los demás.		
5302.90.99	Los demás.	13	3

**ANNEX II**

Iceland shall reduce or eliminate customs duties on goods originating in Mexico as indicated for each product in the following table, and shall not apply to these goods a higher customs duty than that specified in column 3 for each product.

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
0409	Honey, natural	Free
05	Products of Animal Origin, Not Elsewhere Specified or Included	Free
0702.00.01	Tomatoes, fresh or chilled, From November 1 to March 15	Free
0703.10	Onions and shallots, fresh or chilled	Free
0703.20	Garlic, fresh or chilled	Free
0703.90.09	Leeks and other alliaceous vegetables, fresh or chilled, Other	Free
0705.11.11	Lettuce, Iceberg, From November 1 to March 15	Free
0705.11.91	Lettuce, Other, From November 1 to March 15	Free
0707.00.11	Cucumbers, From November 1 to March 15	Free
0707.00.12	Gherkins, From November 1 to March 15	Free
0708	Leguminous vegetables, shelled or unshelled, fresh or chilled	Free
0709.10	Globe artichokes, fresh or chilled	Free
0709.20	Asparagus, fresh or chilled	Free
0709.52	Truffles, fresh or chilled	Free
0709.60.01	Pimento	Free
0709.60.02	Peppers, From November 1 to March 15	Free
0709.70	Spinach, N-Z spinach and orache spinach (garden spinach), fresh or chilled	Free
0709.90.01	Sweet Corn	Free
0709.90.03	Olives	Free
0710.21	Peas, frozen	Free
0710.22	Beans, frozen	Free
0710.29	Leguminous vegetables frozen nes	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
0710.40	Sweet corn, frozen	Free
0710.8003	Onions, frozen	Free
0710.8009	Other, frozen	Free
0710.9000	Mixtures of frozen vegetables	Free
0711.10	Onions, provisionally preserved but not suitable for immediate consumption	Free
0711.20	Olives	Free
0712.20	Onions dried but not further prepared	Free
0713	Dried leguminous vegetables, shelled, whether or not skinned or split	Free
08	Edible Fruit and Nuts; Peel of Citrus Fruit or Melons	Free
09	Coffee, Tea, Maté and Spices	Free
1001.10.09	Durum wheat, Other, only for human consumption	Free
1001.90.09	Wheat nes and meslin, Other, only for human consumption	Free
1008.10.09	Buckwheat, Other, only for human consumption	Free
1008.30.09	Canary seed, Other, not for commercial animal feeding	Free
1008.90.09	Cereals unmilled nes, Other, only for human consumption	Free
1101.00.10	Wheat or meslin flour, in retail packages of 5kg or less	Free
1101.00.29	Wheat or meslin flour, Other, only for human consumption	Free
1104.12.10	Oats, rolled or flaked grains, in retail packages of 5kg or less	Free
1104.12.29	Oats, rolled or flaked grains, Other, only for human consumption	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
1109	Wheat gluten, whether or not dried	Free
1201	Soya beans, whether or not broken	Free
1202	Ground-nuts, not roasted or otherwise cooked, whether or not shelled or broken	Free
1203	Copra	Free
1204	Linseed, whether or not broken	Free
1205	Rape (canola) or colza seeds, whether or not broken.	Free
1206	Sunflower seeds, whether or not broken	Free
1207	Other oil seeds and oleaginous fruits, whether or not broken	Free
1208	Flours and meals of oil seeds or oleaginous fruits, other than those of mustard	Free
1209	Seeds, fruit and spores, of a kind used for sowing	Free
1210	Hop cones, fresh or dried, whether or not ground, powdered or in the form of pellets; lupulin	Free
1211	Plants & parts of plants, of a kind used primarily in perfumery, in pharmacy or for insecticidal, fungicidal or similar purposes, fresh or dried, whether or not cut, crushed or powdered	Free
1212	Locust beans, seaweeds and other algae, sugar beet and sugar cane, fresh, chilled, frozen or dried, whether or not ground; fruit stones and kernels and other vegetable products (including unroasted chicory roots of the variety <i>Cichorium intybus sativum</i> ) of a kind used primarily for human consumption, not elsewhere specified or included	Free
13	Lac; Gums, Resins and Other Vegetable Saps and Extracts	Free
14	Vegetable Plaiting Materials; Vegetable Products Not Elsewhere Specified or included bundles	Free



Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
1501	Pig fat (including lard) and poultry fat, other than that of heading No. 0209 or 1503	Free
1502	Bovine, sheep & goat fats, o/t hd No. 15.03	Free
1503	Lard stearin, lard oil, oleostearin, oleo-oil and tallow oil, not emulsified or mixed or otherwise prepared	Free
1505	Wool grease and fatty substances derived therefrom (including lanolin)	Free
1506	Other animal fats and oils and their fractions, whether or not refined, but chemically modified	Free
1507	Soya-bean oil and its fractions, whether or not refined, but not chemically modified	Free
1508	Ground-nut oil and its fractions, whether or not refined, but not chemically modified	Free
1509	Olive oil and its fractions, whether or not refined, but not chemically modified	Free
1510	Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading No. 1509	Free
1511	Palm oil and its fractions, whether or not refined, but not chemically modified	Free
1512	Sunflower-seed, safflower or cotton-seed oil and fractions thereof, whether or not refined, but not chemically modified	Free
1513	Coconut (copra), palm kernel or babassu oil and fractions thereof, whether or not refined, but not chemically modified	Free
1514	Rape,colza or mustard seed oil & fractions thereof, whether or not refined, but not chemically modified	Free
1515	Other fixed vegetable fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified	Free
1516	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared	Free
1518	Animal or vegetable fats and oils and their fractions, boiled, oxidised, dehydrated, sulphurised, blown, polymerised by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading No. 15.16; inedible mixtures or preparation	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
1520	Glycerol, crude; glycerol waters and glycerol lyes	Free
1521	Vegetable waxes (other than triglycerides), beeswax, other insect waxes and spermaceti, whether or not refined or coloured	Free
1522	Degras; residues resulting from the treatment of fatty substances or animal or vegetable waxes	Free
1701	Cane or beet sugar and chemically pure sucrose, in solid form	Free
1702	Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel	Free
1704	Sugar confectionery (including white chocolate), not containing cocoa	Free
1801	Cocoa beans, whole or broken, raw or roasted	Free
1802	Cocoa shells, husks, skins and other cocoa waste	Free
1803	Cocoa paste, whether or not defatted	Free
1804	Cocoa butter, fat and oil	Free
1805	Cocoa powder, not containing added sugar or other sweetening matter	Free
1806.10	Cocoa powder, containing added sugar or other sweetening matter	Free
	Chocolate and other food preparations containing cocoa weighing more than 2 kg:	
1806.20.01	Paste of nougat in blocks of 5 kg or more	Free
1806.20.02	Powder for making desserts	Free
1806.20.03	Cocoa powder containing by weight more than 30 % of fresh milk powder and/or skimmed milk powder, whether or not containing added sugar or other sweetening matter, but not mixed with other substances	129 kr/kg

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
1806.20.04	Cocoa powder containing by weight less than 30 % of fresh milk powder and/or skimmed milk powder, whether or not containing added sugar or other sweetening matter, but not mixed with other substances	47 kr/kg
1806.20.05	Other containing by weight more than 30 % of fresh milk powder and/or skimmed milk powder	129 kr/kg
1806.20.06	Other containing by weight less than 30 % of fresh milk powder and/or skimmed milk powder	47 kr/kg
1806.20.09	Other	Free
1806.31	Choc & food prep cntg cocoa in blocks, slabs or bars, filled, not exceeding 2 kg	54 kr/kg
	Choc & food prep cntg cocoa in blocks, slabs or bars, not filled, not over 2 kg:	
1806.32.01	Chocolate composed solely of cocoa paste, sugar, and not more than 30% of cocoa butter, in slabs or bars	Free
1806.32.02	Chocolate containing cocoa paste, sugar, cocoa butter and milk powder, in slabs or bars	50 kr/kg
1806.32.03	Imitation chocolate in slabs or bars	47 kr/kg
1806.32.09	Other, not filled, in slabs or bars	22 kr/kg
	Chocolate and other food preparations containing cocoa nes:	
1806.90.11	For preparation of beverages of headings 0401 to 0404, containing 5% or more of cocoa powder	22 kr/kg
1806.90.12	Prepared substances for beverages, containing cocoa together with proteins and/or nutritive elements	Free
1806.90.19	Other	Free
1806.90.22	Food specially prepared for children or for dietetic purposes	19 kr/kg
1806.90.23	Easter eggs	51 kr/kg

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
1806.90.24	Ice-cream sauces and dips	47 kr/kg
1806.90.25	Coated or covered, such as raisins, nuts, "puffed" cereals, liquorice, caramels and jellies	56 kr/kg
1806.90.26	Chocolate creams (konfekt)	51 kr/kg
1806.90.27	Breakfast cereals	Free
1806.90.28	Cocoa powder containing by weight more than 30 % but less than 90 % of fresh milk powder and/or skimmed milk powder, whether or not containing added sugar or other sweetening matter, but not mixed with other substances	139 kr/kg
1806.90.29	Cocoa powder containing by weight less than 30 % of fresh milk powder and/or skimmed milk powder, whether or not containing added sugar or other sweetening matter, but not mixed with other substances	50 kr/kg
1806.90.39	Other	50 kr/kg
2001.90.01	Sweet corn ( <i>Zea mays</i> var. <i>saccharata</i> )	Free
2001.90.02	Yams, sweet potatoes and similar edible parts of plants containing 5% or more by weight of starch	Free
2001.90.09	Other	Free
2003.10	Mushrooms prepared or preserved other than by vinegar or acetic acid	Free
	Veg nes & mx of veg prep or presvd, o/t by vinegar, acetic acid or sugar, frozen:	
2004.90.01	Sweet corn	Free
2004.90.02	Globe artichokes	Free
2004.90.03	Green or black olives	Free
2004.90.04	Green peans and beans	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
2004.90.05	Preparations with a basis of flours of legumious plants	Free
2004.90.09	Other	Free
2005.10	Homogenized vegetables prep or presvd, o/t by vinegar or acetic acid, not frozen	Free
2005.40	Peas prep or presvd, other than by vinegar, acetic acid or sugar, not frozen	Free
2005.51	Beans, shelled prepr or presvd,o/t by vinegar, acetic acid or sugar, not frozen	Free
2005.59	Beans nes prepr or presvd, o/t by vinegar, acetic acid or sugar, not frozen	Free
2005.60	Asparagus prepr or presvd, o/t by vinegar, acetic acid or sugar, not frozen	Free
2005.70	Olives prepr or presvd,o/t by vinegar, acetic acid or sugar, not frozen	Free
2005.80	Sweet corn prepr or presvd, o/t by vinegar, acetic acid or sugar, not frozen	Free
2005.90.09	Other vegetables and mixtures of vegetables	Free
2006.00.21	Sweet corn ( <i>Zea mays</i> var. <i>saccharata</i> ) presvd by sugar (drained, glacé or cryst)	Free
2007	Jams, fruit jellies, marmalades, fruit or nut purée and furit or nut pastes, being cooked preparations, whither or not containing added sugar or other sweetening matter	Free
2008	Fruit, nuts and other edible parts of plands, otherwise prepared or preserved, wether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included	Free
2009	Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter	Free
2101	Extracts, essence and concentrates, of coffee, tea or maté and preparations with a basis of these products or with a basis of coffee, tea or maté: rosted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof	Free
2102	Yeasts (active or inactive); other single-cell micro-organisms, dead (but not including vaccines of heading 30.02); prepared baking powders	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
2103.10	Soya Sauce	Free
2103.20	Tomato ketchup and other tomato sauces	Free
2103.30	Mustard flour and meal and prepared mustard	Free
2103.90.10	Preparations of vegetable sauces with a basis of flour, meal, starch or malt extract	Free
2103.90.90	Other sauces and preparations therefor, other than containing meet	Free
2106.10	Protein concentrates and textured protein substances	Free
	Food preparations nes:	
2106.90.11	Unfermented and not containing sugar, in containers of 50 kg or more	Free
2106.90.19	Other	Free
2106.90.21	Non-alcoholic preparations (concentrated extracts)	Free
2106.90.22	Flavoured or coloured syrup	Free
2106.90.23	Mixtures of plants or parts of plants, whether or not mixed with extracts from plants, for the preparations of plant broths	Free
2106.90.24	Specially prepared as infant food or for dietetic purposes	Free
2106.90.25	Prepared substances for beverages, containing proteins and/or other nutritive elements, also vitamins, minerals, vegetable fibres, poly-unsaturated fatty acids and flavouring matter	Free
2106.90.26	Prepared substances for beverages, of ginseng extract mixed with other ingredients, for example glucose or lactose	Free
2106.90.31	Of an alcoholic strength by volume of more than 0.5 % up to and including 2.25 % vol	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
2106.90.32	Of an alcoholic strength by volume up to 15% vol	Free
2106.90.33	Of an alcoholic strength by volume 15 % up to and including 22 % vol	Free
2106.90.34	Of an alcoholic strength by volume more than 22 % up to and including 32 % vol	Free
2106.90.35	Of an alcoholic strength by volume more than 32 % up to and including 40 % vol	Free
2106.90.36	Of an alcoholic strength by volume more than 40 % up to and including 50 % vol	Free
2106.90.37	Of an alcoholic strength by volume more than 50 % up to and including 60 % vol	Free
2106.90.38	Other	Free
2106.90.39	Other	Free
2106.90.42	In retail packings of 5 kg or less, not containing milk powder, egg white or egg yolks	Free
2106.90.49	Powder for making desserts other	Free
2106.90.61	Candy, containing neither sugar nor cocoa	Free
2106.90.62	Fruit soups and porridge	Free
2201	Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow	Free
2202.10	Waters incl mineral & aerated, containing sugar or sweetening matter or flavoured	Free
	Non-alcoholic beverages nes, excluding fruit or veg juices of heading No 20.09:	
2202.90.11	Of dairy products with other ingredients, dairy products are 75 % or more by weight excl packings - in packings of paperboard	42 kr/kg

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
2202.90.12	Of dairy products with other ingredients, dairy products are 75 % or more by weight excl packings - in disposable packings of steel	42 kr/kg
2202.90.19	Of dairy products with other ingredients, dairy products are 75 % or more by weight excl packings - other	42 kr/kg
	Specially prepared as infant food or for dietetic purposes:	
2202.9021	In pakings of paperboard	Free
2202.9022	In disposable packings of steel	Free
2202.9029	Other	Free
2202.90.91	Other - in packings of paperboard	Free
2202.90.92	Other - in disposable packings of steel	Free
2202.90.99	Other - other	Free
2203	Beer made from malt	Free
2204	Wine of fresh grapes, including fortified wines; grape must other than that of heading No. 2009	Free
2205	Vermouth & other grape wines flav with plants or arom subst in ctr of 2 litres or less or greater than 2 litres	Free
2206	Other fermented beverages; mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included	Free
2207	Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol or higher; ethyl alcohol and other spirits, denatured, of any strength	Free
2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol; spirits, liqueurs & other spirituous beverages	Free



Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
2209	Vinegar and substitutes for vinegar obtained from acetic acid	Free
	Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives:	
	Other polyhydric alcohols:	
2905.43	Mannitol	Free
2905.44	D-glucitol (sorbitol)	Free
33.01	Essential oils (terpeneless or not), including concretes and absolutes; resinoids; extracted oleoresins; concentrates of essential oils in fats, in fixed oils, in waxes or the like, obtained by enfleurage or maceration; terpenic by-products of the deterpenation of essential oils; aqueous distillates and aqueous solutions of essential oils	Free
	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:	
ex 3302.10 00	- Of a kind used in the food or drink industries, of a kind used in the drink industries, preparations containing all flavouring agents characterising a beverage, of an actual alcoholic strength by volume exceeding 0.5%	Free
35.02	Albumins (including concentrates of two or more whey proteins, containing by weight more than 80 % whey proteins, calculated on the dry matter), albuminates and other albumin derivatives	Free
35.03	Gelatin (including gelatin in rectangular (including square) sheets, whether or not surface-worked or coloured) and gelatin derivatives; isinglass; other glues of animal origin, excluding casein glues of heading No. 35.01	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
35.04	Peptones and their derivatives; other protein substances and their derivatives, not elsewhere specified or included; hide powder, whether or not chromed	Free
	Dextrins and other modified starches (for example, pregelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches:	
ex 3505.20	Glues	Free
	Finishing agents, dye carriers to accelerate the dyeing or fixing of dyestuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries, not elsewhere specified or included:	
ex 3809.10	With a basis of amylaceous substances	Free
	Industrial monocarboxylic fatty acids; acid oils from refining; industrial fatty alcohols:	
ex 3823.11	Stearic acid	Free
ex 3823.12	Oleic acid	Free
ex 3823.19	Other	Free
ex 3823.70	Industrial fatty alcohols	Free
	Prepared binders for foundry moulds or cores; chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included; residual products of the chemical or allied industries, not elsewhere specified or included:	
3824.60	Sorbitol other than that of subheading No. 2905.44	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
41.01	Raw hides and skins of bovine 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	Free
41.02	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 this Chapter	Free
41.03	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 this Chapter	Free
43.01	Raw furskins (including heads, tails, paws and other pieces or cuttings, suitable for furriers' use), other than raw hides and skins of heading No. 41.01, 41.02 or 41.03	Free
50.01	Silk-worm cocoons suitable for reeling	Free
50.02	Raw silk (not thrown)	Free
50.03	Silk waste (including cocoons unsuitable for reeling, yarn waste and garnetted stock)	Free
51.01	Wool, not carded or combed	Free
51.02	Fine or coarse animal hair, not carded or combed	Free
51.03	Waste of wool or of fine or coarse animal hair, including yarn waste but excluding garnetted stock	Free
52.01	Cotton, not carded or combed	Free
52.02	Cotton waste (including yarn waste and garnetted stock)	Free

Icelandic HS Tariff Number	Description of products	Tariff for Mexico
1	2	3
52.03	Cotton, carded or combed	Free
53.01	Flax, raw or processed but not spun; flax tow and waste (including yarn waste and garnetted stock)	Free
53.02	True hemp ( <i>Cannabis sativa</i> L.), raw or processed but not spun; tow and waste of true hemp (including yarn waste and garnetted stock)	Free

## **Annex III**

### **Rules of origin**

#### Article 1

##### ***Definitions***

For the purposes of this Annex, the definitions set out in Article 1 of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis*.

#### Article 2

##### ***Origin criteria***

1. For the purposes of this Agreement on agricultural products, a product shall be considered as originating in Iceland or in Mexico if it has been:

- (a) wholly obtained there within the meaning of Article 4;
- (b) sufficiently worked or processed there within the meaning of Article 5;  
or
- (c) produced there exclusively from materials originating in the Party concerned in accordance with this Annex.

2. The conditions for acquiring originating status laid down in paragraph 1 shall be fulfilled without interruption in Iceland or in Mexico respectively.

#### Article 3

##### ***Bilateral cumulation of origin***

Notwithstanding Article 2, materials originating in the other Party within the meaning of this Annex shall be considered as materials originating in the Party concerned and it shall not be necessary that such materials have undergone sufficient working or processing there, provided however that the working or processing goes beyond that referred to in Article 6 of this Annex.

#### Article 4

##### ***Wholly obtained products***

For the purposes of Article 2 (1)(a), the following products shall be considered as wholly obtained in Iceland or in Mexico:

- (a) vegetable products harvested there;

- (b) live animals born and raised there;
- (c) products obtained from live animals raised there;
- (d) products obtained from hunting, fishing or trapping conducted there;
- (e) waste and scrap resulting from manufacturing operations conducted there;
- (f) products manufactured there exclusively from the products specified in sub-paragraphs (a) to (e) of this Article or from their derivatives, at any stage of production.

#### Article 5

##### ***Sufficiently worked or processed products***

1. For the purposes of Article 2 (1)(b), a product incorporating materials which have not been wholly obtained either in Iceland or in Mexico, shall be considered as having undergone sufficient working or processing in Iceland or in Mexico respectively, when the conditions set out for that product in the Appendix to this Annex are fulfilled.

2. The conditions referred to in paragraph 1 indicate, for all products covered by this Agreement, the working or processing which shall be carried out on non-originating materials used in manufacturing and apply only in relation to such materials. Accordingly, it follows that if a product which has acquired originating status, regardless of whether this product has been manufactured in the same factory or in another factory in Mexico or in Iceland, by fulfilling the conditions set out in the Appendix to this Annex is used as material in the manufacture of another product, the conditions applicable to such other product do not apply to a product that is used as material, and therefore no account shall be taken of any non-originating materials incorporated into such a product used as a material in the manufacture of another product.

#### Article 6

##### ***Insufficient working or processing***

The provisions regarding insufficient working or processing operations contained in Article 6 of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis* to this Annex.

#### Article 7

##### ***Unit of classification***

For the purposes of this Annex, the tariff classification of a particular product or material shall be determined according to the Harmonized System.

Article 8

***Packing materials and containers***

Packing materials and containers in which a product is packed for transport or shipment, shall be disregarded for the purpose of determining the origin of that product in accordance with Article 4 or 5.

Article 9

***Accounting segregation***

The provisions regarding accounting segregation contained in Article 8 of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis* to this Annex.

Article 10

***Neutral elements***

The provisions regarding neutral elements contained in Article 11 of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis* to this Annex.

Article 11

***Direct transport***

1. The preferential treatment provided for under this Agreement applies only to products satisfying the requirements of this Annex, which are transported directly from Mexico to Iceland or from Iceland to Mexico. However, products constituting one single consignment may be transported through other countries with, should the occasion arise, trans-shipment or temporary warehousing in such countries, provided that they remain under the surveillance of the customs authorities in the country of transit or warehousing and do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition.

2. Evidence that the conditions referred to in paragraph 1 have been fulfilled shall upon request be supplied to the customs authorities of the importing Party in accordance with the provisions of Article 13 (2) of Annex I to the Free Trade Agreement between the EFTA States and Mexico.

Article 12

***Drawback***

The provisions regarding prohibition of drawback of, or exemption from, import duties contained in Article 15 of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis* to this Annex.

Article 13

***Proof of origin***

1. An originating product within the meaning of this Annex shall on importation into Iceland or into Mexico benefit from the preferential treatment as provided for in this Agreement on the basis of submission of either a movement certificate EUR.1 or an invoice declaration completed and issued in accordance with the provisions of Title V of Annex I to the Free Trade Agreement between the EFTA States and Mexico.
2. The provisions regarding proof of origin contained in Title V of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis* to this Annex.

Article 14

***Arrangements for administrative cooperation***

The provisions regarding arrangements for administrative cooperation contained in Title VI of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis* to this Annex.

Article 15

***Explanatory notes***

The provisions regarding “Explanatory Notes” on interpretation, application and administration contained in Article 37 of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis* to this Annex.

Article 16

***Goods in transit or storage***

The provisions of this Agreement may be applied to goods which comply with the provisions of this Annex and which on the date of entry into force of this Agreement are either in transit or are in Iceland or in Mexico or, in temporary storage in bonded



warehouse under customs control or in free zones, subject to the submission to the customs authorities of the importing Party concerned, within six months of the date, of a certificate EUR.1 endorsed retrospectively by the customs authorities or the competent governmental authority of the exporting Party together with the documents showing that the goods have been transported directly.

### APPENDIX TO ANNEX III

#### List of products referred to in Article 5, paragraph 1

##### Introductory Note.

The provisions on Introductory Notes contained in Appendix 1 of Annex I to the Free Trade Agreement between the EFTA States and Mexico shall apply *mutatis mutandis* to this Appendix.

HS heading No.	Description of products	Working or processing carried out on non-originating materials that confers originating status
Chapter 04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included	Manufacture in which all the materials of Chapter 4 used must be wholly obtained
Chapter 05  ex 0502	Products of animal origin, not elsewhere specified or included; except for:  Prepared pigs', hogs' or boars' bristles and hair	Manufacture in which all the materials of Chapter 5 used must be wholly obtained  Cleaning, disinfecting, sorting and straightening of bristles and hair
Chapter 07	Edible vegetables and certain roots and tubers	Manufacture in which all the materials of Chapter 7 used must be wholly obtained
Chapter 08	Edible fruit and nuts; peel of citrus fruits or melons	Manufacture in which: - all the materials of Chapter 8 used must be wholly obtained and - the value of any materials of Chapter 17 used does not exceed 30% of the value of the ex-works price of the product
Chapter 09	Coffee, tea, maté and spices	Manufacture in which all the materials of Chapter 9 used must be wholly obtained
Chapter 10	Cereals	Manufacture in which all the materials of Chapter 10 used must be wholly obtained
ex Chapter 11  ex 1106	Products of the milling industry; malt; starches; inulin; wheat gluten; except for:  Flour, meal and powder of the dried, shelled leguminous vegetables of heading No 0713	Manufacture in which all the cereals, edible vegetables, roots and tubers of heading No 0714 of fruit used must be wholly obtained  Drying and milling of leguminous vegetables of heading No 0708
Chapter 12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder	Manufacture in which all the materials of Chapter 12 used must be wholly obtained
1301	Lac; natural gums, resins, gum-resins and oleoresins (for example, balsams)	Manufacture in which the value of any materials of heading No 1301 used does not exceed 50% of the ex-works price of the product

HS heading No.	Description of products	Working or processing carried out on non-originating materials that confers originating status
1302	<p>Vegetable saps and extracts; pectic substances, pectinates and pectates; agar-agar and other mucilages and thickeners, whether or not modified, derived from vegetable products:</p> <ul style="list-style-type: none"> <li>- Mucilages and thickeners, modified, derived from vegetable products</li> <li>- Other</li> </ul>	<p>Manufacture from non-modified mucilages and thickeners</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>
Chapter 14	Vegetable plaiting materials; vegetable products not elsewhere specified or included	Manufacture in which all the materials of Chapter 14 used must be wholly obtained
ex Chapter 15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animals or vegetable waxes; except of fish and marine mammals	Manufacture in which all the materials used are classified within a heading other than that of the product
1702	<p>Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel:</p> <ul style="list-style-type: none"> <li>- Chemically pure maltose and fructose</li> <li>- Other sugars in solid form, flavoured or coloured</li> <li>- Other</li> </ul>	<p>Manufacture from materials of any heading including other materials of heading No 1702</p> <p>Manufacture in which the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</p> <p>Manufacture in which all the materials used must be wholly obtained</p>
1704	Sugar confectionery (including white chocolate), not containing cocoa	<p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
Chapter 18	Cocoa and cocoa preparations	<p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
ex Chapter 20	Preparations of vegetables, fruit, nuts or other parts of plants; except for:	Manufacture in which all the fruit, nuts or vegetables used must be wholly obtained
ex 2001	Yams, sweet potatoes and similar edible parts of plants containing 5% or more by	Manufacture in which all the materials used are classified within a heading other than that of the

HS heading No.	Description of products	Working or processing carried out on non-originating materials that confers originating status
<p>ex 2004 and ex 2005</p> <p>2006</p> <p>2007</p> <p>ex 2008</p> <p>2009</p>	<p>weight of starch, prepared or preserved by vinegar or acetic acid</p> <p>Potatoes in the form of flour, meal or flakes, prepared or preserved otherwise than by vinegar or acetic acid</p> <p>Vegetables, fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallized)</p> <p>Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, being cooked preparations, whether or not containing added sugar or other sweetening matter</p> <p>- Nuts, not containing added sugar or spirit</p> <p>- Peanut butter; mixtures based on cereals; palm hearts; maize (corn)</p> <p>- Other except for fruit and nuts cooked otherwise than by steaming or boiling in water, not containing added sugar, frozen</p> <p>Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter</p>	<p>product</p> <p>Manufacture in which all the materials used are classified within a heading other than that of the product</p> <p>Manufacture in which the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</p> <p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul> <p>Manufacture in which the value of the originating nuts and oil seeds of heading Nos 0801, 0802 and 1202 to 1207 used exceeds 60% of the ex-works price of the product</p> <p>Manufacture in which all the materials used are classified within a heading other than that of the product</p> <p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul> <p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
<p>ex Chapter 21</p> <p>2101</p> <p>2103</p>	<p>Miscellaneous edible preparations; except for:</p> <p>Extracts, essences and concentrates, of coffee, tea or maté and preparations with a basis of these products or with a basis of coffee, tea or maté; roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof</p> <p>Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour and meal and prepared mustard:</p> <p>- Sauces and preparations therefor; mixed</p>	<p>Manufacture in which all the materials used are classified within a heading other than that of the product</p> <p>Manufacture in which all the materials used are classified within a heading other than that of the product</p> <p>Manufacture in which all the materials used are</p>

HS heading No.	Description of products	Working or processing carried out on non-originating materials that confers originating status
2106	<p>condiments and mixed seasonings</p> <p>- Mustard flour and meal and prepared mustard</p> <p>Food preparations not elsewhere specified or included</p>	<p>classified within a heading other than that of the product. However, mustard flour or meal or prepared mustard may be used</p> <p>Manufacture from materials of any heading</p> <p>Manufacture in which:</p> <ul style="list-style-type: none"> <li>- all the materials used are classified within a heading other than that of the product;</li> <li>- the value of any materials of Chapter 17 used does not exceed 30% of the ex-works price of the product</li> </ul>
ex Chapter 22  2208	<p>Beverages, spirits and vinegar; except for:</p> <p>Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80 % vol; spirits, liqueurs and other spirituous beverages</p>	<p>Manufacture in which all the materials used are classified within a heading other than that of the product</p> <p>Manufacture:</p> <ul style="list-style-type: none"> <li>- from materials not classified within heading No 2207 or 2208,</li> <li>- in which all the grapes or any material derived from grapes used must be wholly obtained or if all the other materials used are already originating, arrack may be used up to a limit of 5% by volume</li> </ul>
2905	<p>Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives:</p> <p>- Metal alcoholates of alcohols of this heading and of ethanol</p> <p>- Other</p>	<p>Manufacture from materials of any heading, including other materials of heading No 2905. However, metal alcoholates of this heading may be used, provided their 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> <p>Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their 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>
3301	Essential oils (terpeneless or not), including	Manufacture from materials of any heading,

HS heading No.	Description of products	Working or processing carried out on non-originating materials that confers originating status
3302	<p>concretes and absolutes; resinoids; extracted oleoresins; concentrates of essential oils in fats, in fixed oils, in waxes or the like, obtained by enfleurage or maceration; terpenic by-products of the deterpenation of essential oils; aqueous distillates and aqueous solutions of essential oils</p> <p>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</p>	<p>including materials of a different "group"<sup>1</sup> in this heading. However, materials of the same group may be used, provided their 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> <p>Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their 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>
3502	<p>Albumins (including concentrates of two or more whey proteins, containing by weight more than 80% whey proteins, calculated on the dry matter), albuminates and other albumin derivatives</p> <p>3503</p> <p>Gelatin (including gelatin in rectangular (including square) sheets, whether or not surface-worked or coloured) and gelatin derivatives; isinglass; other glues of animal origin, excluding casein glues of heading No 3501</p> <p>3504</p> <p>Peptones and their derivatives; other protein substances and their derivatives, not elsewhere specified or included; hide powder, whether or not chromed</p>	<p>Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their 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> <p>Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their 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> <p>Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their</p>

<sup>1</sup> A "group" is regarded as any part of the heading separated from the rest by a semi-colon.

HS heading No.	Description of products	Working or processing carried out on non-originating materials that confers originating status
3505	<p>Dextrins and other modified starches (for example, pregelatinised or esterified starches); glues based on starches, or on dextrins or other modified starches:</p> <ul style="list-style-type: none"> <li>- Starch ethers and esters</li>   <li>- Other</li> </ul>	<p>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> <p>Manufacture from materials of any heading, including other materials of heading No 3505</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> <p>Manufacture from materials of any heading, except those of heading No 1108</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>
3809	<p>Finishing agents, dye carriers to accelerate the dyeing or fixing of dye-stuffs and other products and preparations (for example, dressings and mordants), of a kind used in the textile, paper, leather or like industries, not elsewhere specified or included</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>
3823	<p>Industrial monocarboxylic fatty acids; acid oils from refining; industrial fatty alcohols:</p> <ul style="list-style-type: none"> <li>- Industrial monocarboxylic fatty acids, acid oils from refining</li>   <li>- Industrial fatty alcohols</li> </ul>	<p>Manufacture in which all the materials used are classified within a heading other than that of the product</p> <p>Manufacture from materials of any heading including other materials of heading No 3823</p>
3824	<p>Prepared binders for foundry moulds or cores; chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included; residual products of the chemical or allied industries, not elsewhere specified or included</p>	<p>Manufacture in which all the materials used are classified within a heading other than that of the product. However, materials classified within the same heading may be used provided their value does not exceed 20% of the ex-works price of the product</p> <p>or</p>

HS heading No.	Description of products	Working or processing carried out on non-originating materials that confers originating status
		Manufacture in which the value of all the materials used does not exceed 50% of the ex-works price of the product
4101	Raw hides and skins of bovine 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	Manufacture in which all the materials used are classified within a heading other than that of the product
4102	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 this Chapter	Manufacture in which all the materials used are classified within a heading other than that of the product or Removal of wool from sheep or lamb skins, with wool on
4103	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 this Chapter	Manufacture in which all the materials used are classified within a heading other than that of the product
4301	Raw furskins (including heads, tails, paws and other pieces or cuttings, suitable for furriers' use), other than raw hides and skins of heading No 4101, 4102 or 4103	Manufacture in which all the materials used are classified within a heading other than that of the product
5002	Raw silk (not thrown)	Manufacture in which all the materials used are classified within a heading other than that of the product
5003	Silk waste (including cocoons unsuitable for reeling, yarn waste and garneted stock):  - Carded or combed  - Other	Carding or combing of silk waste  Manufacture in which all the materials used are classified within a heading other than that of the product
5101	Wool, not carded or combed	Manufacture in which all the materials used are classified within a heading other than that of the product
5102	Fine or coarse animal hair, not carded or combed	Manufacture in which all the materials used are classified within a heading other than that of the product
5103	Waste of wool or of fine or coarse animal hair, including yarn waste but excluding garneted stock	Manufacture in which all the materials used are classified within a heading other than that of the product



<b>HS heading No.</b>	<b>Description of products</b>	<b>Working or processing carried out on non-originating materials that confers originating status</b>
5203	Cotton, carded or combed	Manufacture in which all the materials used are classified within a heading other than that of the product
5301	Flax, raw or processed but not spun; flax tow and waste (including yarn waste and garnetted stock)	Manufacture in which all the materials used are classified within a heading other than that of the product
5302	True hemp ( <i>Cannabis sativa L.</i> ), raw or processed but not spun; tow and waste of true hemp (including yarn waste and garnetted stock)	Manufacture in which all the materials used are classified within a heading other than that of the product

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<sup>1</sup> A "group" is regarded as any part of the heading separated from the rest by a semi-colon.

## **ANNEX IV**

### **On the mutual recognition and protection of designations for spirit drinks between Iceland and Mexico**

#### **Article 1**

The Parties agree, on the basis of non-discrimination and reciprocity, to facilitate and promote trade between them in spirit drinks.

#### **Article 2**

This Annex shall apply to products falling within code 2208 of the International Convention on the Harmonized Commodity Description and Coding System.

#### **Article 3**

For the purposes of this Annex:

“spirit drink originating in“ means, when followed by the name of one of the Parties, a spirit drink listed in Appendix I or Appendix II and produced on the territory of that Party;

“description“ means the designations used on the labelling, on the documents accompanying the transport of the spirit drinks, on the commercial documents, particularly the invoices and delivery notices, and in advertising;

“labelling“ means all the descriptions and other references, signs, designs or trade marks which distinguish the spirit drinks and which appear on the same container, including the sealing device or the tag attached to the container and the sheathing covering the neck of the bottles;

“presentation“ means the designations used on the containers, including the closure, on the labelling and on the packaging;

“packaging“ means the protective wrappings such as papers, straw envelopes of all kinds, cartons and cases, used in the transport of one or more containers.

#### **Article 4**

The following designations are protected:

- (a) as regards spirit drinks originating in Iceland, the designations listed in Appendix I;
- (b) as regards spirit drinks originating in Mexico, the designations listed in Appendix II.

## **Article 5**

1. In Mexico, the protected Icelandic designations:
  - may not be used otherwise than under the conditions laid down in the laws and regulations of Iceland, and
  - are reserved exclusively for the spirits originating in Iceland to which they apply.
2. In Iceland, the protected Mexican designations:
  - may not be used otherwise than under the conditions laid down in the laws and regulations of Mexico, and
  - are reserved exclusively to the spirits originating in Mexico to which they apply.
3. Without prejudice to Articles 22 and 23 of the Agreement on Trade-Related Aspects of Intellectual Property Rights set out in Annex 1 C of the Agreement establishing the World Trade Organization, the Parties shall take all the necessary measures, in accordance with this Annex, to ensure reciprocal protection of the designations referred to in Article 3 and used to refer to spirit drinks originating in the territory of the Parties. Each Party shall provide the interested parties with the legal means of preventing the uses of a designation to designate spirit drinks not originating in the place indicated by the designation in question or in the place where the designation in question is traditionally used.
4. The Parties will not deny the protection provided for by this Article in the circumstances specified in paragraphs 4, 5, 6 and 7 of Article 24 of the Agreement on Trade-Related Aspects of Intellectual Property Rights.

## **Article 6**

The protection afforded by Article 5 shall also apply even where the true origin of the spirit drink is indicated or the designation is used in translation or accompanied by terms such as “kind“, “type“, “style“, “way“, “imitation“, “method“ or other analogous expressions, including graphic symbols which may lead to confusion.

## **Article 7**

In the case of homonymous designations for spirit drinks, protection shall be accorded to each designation. The Parties will lay down the practical conditions under which the homonymous designations in question will be differentiated, taking into account the need to treat the producers concerned fairly and to avoid misleading the consumer.

### **Article 8**

The provisions of this Annex shall in no way prejudice the right of any person to use, in the course of trade, their name or the name of their predecessor in a business, provided that such name is not used in such a manner as to mislead consumers.

### **Article 9**

Nothing in this Annex shall oblige a Party to protect a designation of the other Party which is not protected or ceases to be protected in its country of origin or which has fallen into disuse in that country.

### **Article 10**

The Parties shall take all measures necessary to ensure that, in cases where spirit drinks originating in the Parties are exported and marketed outside their territory, the protected designations of one Party referred to in this Annex are not used to designate and present spirit drinks originating in the other Party.

### **Article 11**

To the extent that the relevant legislation of the Parties allows the benefit of the protection given by this Annex, it shall be extended to natural and legal persons and to federations, associations and organizations of producers, traders or consumers whose headquarters are in the other Party.

### **Article 12**

If the description or presentation of a spirit drink, particularly on the label or in the official or commercial documents or in advertising, is in breach of this Annex, the Parties shall apply administrative measures or initiate legal proceedings as appropriate in order to combat unfair competition or prevent any other form of wrongful use of the protected name.

### **Article 13**

This Annex shall not apply to spirit drinks:

- (a) which are in transit through the territory of one of the Parties; or
- (b) which originate in the territory of one of the Parties and are consigned in small quantities between them.

The following shall be considered to be small quantities:

- (a) quantities of spirit drinks not exceeding 10 litres per traveller contained in traveller's personal baggage;

- (b) quantities of spirit drinks not exceeding 10 litres forming part of consignments from one individual to another;
- (c) spirit drinks forming part of the household effects of individuals moving house;
- (d) up to one hectolitre of spirit drinks imported for conducting scientific and technical experiments;
- (e) spirit drinks imported as part of the duty-free allowances of diplomatic missions, consular posts and assimilated bodies;
- (f) spirit drinks which form part of the supplies carried on board international means of transport.

#### **Article 14**

1. If one of the Parties has reason to suspect that:
  - (a) a spirit drink as defined in Article 2, being or having been traded between the Mexico and Iceland, does not comply with this Annex or the relevant Icelandic or Mexican legislation applicable to spirit drinks; and
  - (b) this non-compliance is of particular interest to the other Party and could result in administrative measures or legal proceedings being taken, that Party shall immediately inform the other Party.
2. The information to be provided in accordance with paragraph 1 shall be accompanied by official, commercial or other appropriate documents, as well as an indication of what administrative measures or legal proceedings may, if necessary, be taken. The information shall include, in particular, the following details of the spirit drink concerned:
  - (a) the producer and the person who stocks the spirit drink;
  - (b) the composition of that drink;
  - (c) the description and presentation; and
  - (d) details of the non-compliance with the rules concerning production and marketing.

#### **Article 15**

1. The Parties shall enter into consultations if one of them considers that the other has failed to fulfil an obligation under this Annex.
2. The Party which requests the consultations shall provide the other Party with the information necessary for a detailed examination of the case in question.
3. In cases where any delay could endanger human health or impair the effectiveness of measures to control fraud, interim protective measures may be taken, without prior consultation, provided that consultations are held immediately after the taking of these measures.
4. If, following the consultations provided for in paragraphs 1 and 3, the Parties have not reached agreement, the Party which requested the consultations or took the

measures referred to in paragraph 3 may take appropriate protective measures so as to permit the proper application of this Annex.

#### **Article 16**

1. The Parties may by mutual consent amend this Annex in order to enhance the level of cooperation in the spirit drinks sector.
2. Where the legislation of one of the Parties is amended to protect designations other than those listed in the Appendixes, these designations shall be included, within a reasonable length of time, following conclusion of the consultations.

#### **Article 17**

1. Spirit drinks which, at the time of the entry into force of this Agreement, have been legally produced, designated and presented, but which are prohibited by this Annex, may be marketed by wholesalers for a period of one year from the entry into force of the Agreement and by retailers until stocks are exhausted. From the entry into force of this Agreement spirit drinks included herein may no longer be produced outside the limits of their regions of origin.
2. Spirit drinks produced, designated and presented in accordance with this Annex when they are marketed but whose description and presentation ceases to conform to this Annex following an amendment thereto may be marketed until stocks are exhausted unless otherwise agreed by the Parties.

## APPENDIX I

### Protected designations of spirit drinks originating in Iceland:

#### Caraway flavoured spirit drinks

Íslenskt Brennivín/Icelandic Aquavit

#### Vodka

Íslenskt Vodka/Icelandic Vodka

## APPENDIX II

### Protected designations of spirit drinks originating in Mexico:

Agave spirit drink	TEQUILA: Protected, made and classified in accordance with the laws and regulations of Mexico
Agave spirit drink	MEZCAL: Protected, made and classified in accordance with the laws and regulations of Mexico
Agave spirit drink	BACANORA: Protected, made and classified in accordance with the laws and regulations of Mexico