

APPENDIX 3 TO ANNEX I¹

OUTWARD PROCESSING

1. For the purpose of Article 13 of Annex I the acquisition of originating status shall not be affected by working or processing carried out outside the territory of a Party on materials exported from the Party concerned and subsequently re-imported there, provided that:

- (a) for products listed in the Table below, the total value of non-originating input as set out in paragraph 4(a), does not exceed 50 per cent of the ex-works price of the final product for which originating status is claimed, and
- (b) for products other than those listed in the Table below, the total added value as set out in paragraph 4(b) does not exceed 10 per cent of the ex-works price of the final product for which originating status is claimed.

2. The materials exported from a Party shall be wholly obtained in the Party concerned or having undergone there working or processing going beyond the insufficient operations listed in Article 6 of Annex I prior to being exported outside the territory of that Party. It must be demonstrated to the satisfaction of the customs authorities that the re-imported goods have been obtained by working or processing the exported materials.

3. For the purpose of paragraph 1(b), where a rule in Appendix 2 to Annex I restricts or prohibits the use of certain non-originating materials, such a restriction or prohibition shall also apply in respect of working or processing carried out outside the territory of the Party concerned. Furthermore, where a rule in Appendix 2 to Annex I, giving the maximum value of all the non-originating materials used is applied in determining the originating status of the final product concerned, the total value of the non-originating input as set out in paragraph 4(a) shall not exceed the percentage given.

4. For the purpose of:

- (a) paragraphs 1(a) and 3 “total value” shall mean the value of any non-originating materials added inside as well as any materials added and all other cost accumulated outside the Party concerned, including transport costs. Non-originating materials which have already acquired originating status in a Party shall not be considered as non-originating input.
- (b) paragraph 1(b) “total added value” shall mean the value of any materials added outside the Party concerned as well as all costs accumulated outside the territory of the Party concerned, including transport costs.

5. The provisions of paragraphs 2 and 3 shall not apply to products which do not fulfil the conditions set out in Appendix 2 to Annex I and which can be considered sufficiently worked or processed only if the general tolerance given in Article 5(2) of Annex I is applied.

¹ As amended by Joint Committee Decision No. 5 of 2007 (14 March 2007) which entered into force on 1 August 2007.

Table containing the products referred to in paragraph 1(a)

HS CODE	PRODUCT DESCRIPTION
3917 29 000	Tubes pipes and hoses rigid of other plastics
3917 39 000	Other tubes pipes and hoses excluding fittings, of plastics
3917 40 000	Pipe fittings of plastics
3919 10 900	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, in rolls of a width not exceeding 20 cm, of other plastics
3919 90 100	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, not in rolls, of polymer of vinyl chloride
3919 90 900	Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, not in rolls or in rolls, of other plastics
3920 10 000	Other plates, sheets, film, foil and strip, non-cellular and not reinforced, laminated, supported or similarly combined with other materials, of polymers of ethylene
3921 90 000	Other plates, sheets, film, foil and strip, non-cellular, reinforced, of plastics
3923 10 000	Plastic boxes, cases, crates and similar articles for the conveyance or packing of goods
3923 21 000	Sacks and bags including cones, for conveyance or packing of goods, of polymers of ethylene
3923 29 000	Other plastic sacks and bags including cones, for conveyance or packing of goods
3923 40 000	Plastic spools, cops, bobbins and similar supports
3923 50 000	Plastic stoppers, lids, caps and other closures
3923 90 000	Other plastic articles for the conveyance or packing of goods
3926 10 000	Plastic office or school supplies
8414 59 000	Fans' including blowers, with a self-contained electric motor of an output exceeding 125 W
8414 80 100	Compressors, except those used in a refrigerating equipment or air compressors mounted on a wheeled chassis for towing
8415 81 000	Air conditioning machines, incorporating a refrigerating unit and a valve for reversal of the cooling/heat cycle
8415 82 000	Other air conditioning machines, incorporating a refrigerating unit
8415 90 000	Parts of air conditioning machines
8421 39 000	Filtering or purifying machinery and apparatus for gases, except intake air filters for internal combustion engines
8451 29 000	Drying machines for textile yarns, fabrics or made up textile articles, each of a dry linen capacity exceeding 10 kg
8467 22 000	Electric hand saws
8479 89 000	Other machines and mechanical appliances not elsewhere specified
8480 20 000	Mould bases
8480 49 000	Moulds for metal or metal carbides , except for injection or compression moulding
8480 79 000	Moulds for rubber or plastics, except for injection or compression moulding
8481 20 000	Valves for oleohydraulic or pneumatic transmissions
8481 80 900	Other valves
8481 90 000	Parts of valves
8482 10 000	Ball bearings
8483 50 000	Flywheels and pulleys, including pulley blocks
ex 8487 90 000	Machinery parts, not containing electrical features, not specified or included elsewhere, other than ships' or boats' propellers and blades thereof
8506 10 000	Primary cells and batteries of manganese dioxide

HS CODE	PRODUCT DESCRIPTION
8511 80 000	Other electrical ignition and starting equipment including glow
8516 40 000	Electric smoothing irons
8516 50 000	Microwave ovens
8516 60 900	Cookers (except rice cookers), cooking plates, boiling rings, grillers and roasters
8516 79 900	Other electro-thermic appliances
8518 29 000	Loudspeakers, not mounted in their enclosures
8518 30 000	Headphones and earphones, whether or not combined with a microphone, and sets consisting of a microphone and one or more loudspeakers
8519 81 000	Compact disc players
ex 8519 81 000 ex 8519 89 000	Other non-cassette reproducing apparatus, except record-players and turntables
ex 8519 81 000	Non-cassette tape recorders with reproducers, other than dictating machines and telephone answering machines
ex 8519 89 000	Other tape recorder
8521 10 000	Video recorders or reproducers magnetic tape-type, whether or not incorporating a video tuner
8521 90 100	Lasers disc players
8521 90 900	Video recorders or reproducers, whether or not incorporating a video tuner, other than magnetic tape-type and laser disc players
8522 90 100	Printed circuit boards, assembled or mounted, for use solely or principally with the apparatus of headings 85.19 to 85.21
8522 90 900	Other parts and accessories for use with the apparatus of headings 85.19 to 85.21, other than printed circuit boards and pick-up cartridges
ex 8523 29 000	Unrecorded magnetic hard disc
8523 21 000	Unrecorded cards incorporating a magnetic stripe
ex 8523 40 000 ex 8523 51 000 ex 8523 59 000 ex 8523 80 000	Other unrecorded sound recording media
8526 10 000	Radar apparatus
8527 21 000	Radio-broadcast receivers not capable of operating without an external source of power, of a kind used in motor vehicles, combined with sound recording or reproducing apparatus
8527 99 000	Other radio-broadcast receivers, including apparatus capable of receiving also radio-telegraphy or radio-telephony, not combined with sound recording or reproducing apparatus, neither combined with a clock
8535 40 300	Surge suppressors
8539 31 000	Discharge lamps, other than ultra-violet lamps, fluorescent, hot cathode
8539 49 000	Ultra-violet or infra-red lamps
