

ANNEX B

Rules regarding Area origin for tariff purposes

For the purpose of determining the origin of goods under Article 4 and for the application of that Article, the following Rules shall be applied. The Schedules to this Annex are in the English language only.

Rule 1. Interpretative provisions

1. "The Area" means the Area of the Association.

2. In determining the place of production of marine products and goods produced therefrom, a vessel of a Member State shall be regarded as part of the territory of that State. In determining the place from which goods have been consigned, marine products taken from the sea or goods produced therefrom at sea shall be regarded as having been consigned from the territory of a Member State if they were taken by or produced in a vessel of a Member State and have been brought direct to the Area.

3. A vessel which is registered shall be regarded as a vessel of the State in which it is registered and of which it flies the flag.

4. "Materials" includes products, parts and components used in the production of the goods.

5. Energy, fuel, plant, machinery and tools used in the production of goods within the Area, and materials used in the maintenance of such plant, machinery and tools, shall be regarded as wholly produced within the Area when determining the origin of those goods.

6. "Produced" in sub-paragraph (c) of paragraph 1 of Article 4 and "a process of production" in paragraph 2 of that Article include the application of any operation or process, with the exception of any operation or process which consists only of one or more of the following:

- (a) packing, wherever the packing materials may have been produced;
- (b) splitting up into lots;
- (c) sorting and grading;
- (d) marking;
- (e) putting up into sets.

7. "Producer" includes a grower and a manufacturer and also a person who supplies his goods otherwise than by sale to another person and to whose order the last process in the course of the manufacture of the goods is applied by that other person.

Rule 2. Goods wholly produced within the Area

For the purposes of sub-paragraph (a) of paragraph 1 of Article 4, the following are among the products which shall be regarded as wholly produced within the Area:

- (a) mineral products extracted from the ground within the Area;
- (b) vegetable products harvested within the Area;
- (c) live animals born and raised within the Area;
- (d) products obtained within the Area from live animals;
- (e) products obtained by hunting or fishing conducted within the Area;