

PREFERENTIAL TRADE AGREEMENT

BETWEEN

MERCOSUR AND THE REPUBLIC OF INDIA

PREFERENTIAL TRADE AGREEMENT BETWEEN MERCOSUR AND THE REPUBLIC OF INDIA

The Argentine Republic, the Federative Republic of Brazil, the Republic of Paraguay and the República Oriental del Uruguay, States Parties to the MERCOSUR, and the Republic of India:

CONSIDERING

That the Framework Agreement for the creation of a Free Trade Area between MERCOSUR and the Republic of India provides for a first stage of action aimed at increasing trade, including the mutual granting of tariff preferences;

That implementation of an instrument providing for the granting of fixed tariff preferences during said first stage would facilitate subsequent negotiations for the creation of a Free Trade Area;

That the negotiations needed to implement the granting of fixed tariff preferences and to establish trade disciplines between the Parties have been conducted;

That regional integration and trade among developing countries, including through the creation of free trade areas, are compatible with the multilateral trading system, and contribute to the expansion of world trade, to the integration of their economies into the global economy, and to the social and economic development of their peoples;

That the process of integrating their economies includes the gradual and reciprocal liberalization of trade and the strengthening of economic cooperation amongst them;

That Article 27 of the Treaty of Montevideo 1980, of which the MERCOSUR Member States are signatory Parties, authorizes the conclusion of Partial Scope Agreements with other developing countries and economic integration areas outside Latin America;

HEREBY AGREE AS FOLLOWS:

Chapter I
Purpose of the Agreement

Article 1

For the purposes of this Agreement, the 'Contracting Parties', hereinafter referred to as 'Parties', are MERCOSUR and the Republic of India. The 'Signatory Parties' are the Argentine Republic, the Federative Republic of Brazil, the Republic of Paraguay, the República Oriental del Uruguay and the Republic of India.

Article 2

The Parties hereby agree to conclude this Preferential Trade Agreement as a first step towards the creation of a Free Trade Area between MERCOSUR and the Republic of India.

Chapter II

Trade Liberalisation

Article 3

Annexes I and II to this Agreement contain the products on which tariff preferences and other conditions are agreed for the importation from the respective territories of the Signatory Parties.

a) Annex I sets forth the products on which tariff preferences are granted by MERCOSUR to the Republic of India.

b) Annex II sets forth the products on which tariff preferences are granted by the Republic of India to MERCOSUR.

Article 4

The products included in Annexes I and II are classified in accordance with the Harmonised System (HS).

Article 5

Tariff preferences will be applied to all customs duties in force in each Signatory Party at the time of importing the relevant product.

Article 6

A 'customs duty' includes duties and charges of any kind imposed in connection with the importation of a good, but does not include:

- a) internal taxes or other internal charges imposed consistently with Article III of the General Agreement on Tariffs and Trade (GATT) 1994;
- b) antidumping or countervailing duty in accordance with Articles VI and XVI of GATT 1994, the WTO Agreement on Implementation of Article VI of GATT 1994, and the WTO Agreement on Subsidies and Countervailing Measures;
- c) other duties or charges imposed consistently with Article VIII of GATT 1994 and the Understanding on the Interpretation of Article II:1 (b) of the GATT 1994.

Article 7

Except otherwise provided for in this Agreement or in GATT 1994, the Parties shall not apply non-tariff barriers to the products included in the Annexes to this Agreement. Non-tariff barriers shall refer to any administrative, financial, exchange-related or other measure whereby a Party prevents or hinders mutual trade by virtue of a unilateral decision.

Article 8

If a Contracting Party concludes a preferential agreement with a non Party, it shall upon request from the other Contracting Party, afford adequate opportunity for consultations on any additional benefits as granted therein.

Chapter III

General Exceptions

Article 9

Nothing in this Agreement shall prevent any Signatory Party from taking actions and adopting measures consistent with the Articles XX and XXI of the GATT 1994.

Chapter IV

State Trading Enterprises

Article 10

Nothing in this Agreement shall prevent a Signatory Party from maintaining or establishing a state trading enterprise as understood in Article XVII of GATT 1994.

Article 11

Each Signatory Party shall ensure that any state trading enterprise that it maintains or establishes acts in a manner that is consistent with the obligations of the Signatory Parties under this Agreement and accords non-discriminatory treatment in the import from and export to the other Signatory Parties.

Chapter V

Rules of Origin

Article 12

The products included in Annexes I and II of this Agreement shall meet the rules of origin in accordance with Annex III of this Agreement in order to qualify for tariff preferences.

Chapter VI
National Treatment

Article 13

On matters relating to taxes, fees or any other domestic duties, the products originating from the territory of any of the Signatory Parties shall receive in the territory of the other Signatory Parties the same treatment as applied to the national products, in accordance with Article III of GATT 1994.

Chapter VII
Customs Valuation

Article 14

On matters related to customs valuation, the Signatory Parties shall be governed by Article VII of GATT 1994 and the WTO Agreement on the Implementation of Article VII of GATT 1994.

Chapter VIII
Safeguard Measures

Article 15

The implementation of preferential safeguard measures concerning the imported products which have been accorded tariff preferences established in Annexes I and II shall be carried out according to the rules agreed upon in the Annex IV of this Agreement.

Article 16

The Signatory Parties shall maintain their rights and obligations to apply safeguard measures consistent with Article XIX of GATT 1994 and the WTO Agreement on Safeguards.

Chapter IX

Antidumping and Countervailing Measures

Article 17

In applying antidumping and countervailing measures, the Signatory Parties shall be governed by their respective legislation, which shall be consistent with Articles VI and XVI of GATT 1994, the Agreement on Implementation of Article VI of GATT 1994, and the WTO Agreement on Subsidies and Countervailing Measures.

Chapter X

Technical Barriers to Trade

Article 18

The Signatory Parties shall abide by the rights and obligations set out in the WTO Agreement on Technical Barriers to Trade.

Article 19

The Signatory Parties shall co-operate in the area of standards, technical regulations and conformity assessment procedures with the objective of facilitating trade.

Article 20

The Signatory Parties shall endeavour to conclude mutual equivalence agreements.

Chapter XI

Sanitary and Phytosanitary Measures

Article 21

The Signatory Parties shall abide by the rights and obligations set out in the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.

Article 22

The Signatory Parties agree to co-operate in the areas of animal health and plant protection, food safety and mutual recognition of sanitary and phytosanitary measures, through their respective competent authorities, including, *inter-alia*, by means of equivalence agreements and mutual recognition agreements to be concluded taking into account relevant international criteria.

Chapter XII

Administration of the Agreement

Article 23

The Parties agree to create a Joint Administration Committee composed by the MERCOSUR's Common Market Group or its representatives and by India's Secretary of Commerce or its representatives.

Article 24

The Joint Administration Committee shall hold its first meeting within sixty days of the entry into force of this Agreement, when it shall establish its working procedures.

Article 25

The Joint Administration Committee shall meet ordinarily at least once every year, at such venues as shall be agreed by the Parties, and extraordinarily at any time, at the request of a Party.

Article 26

The Joint Administration Committee shall adopt its decisions by consensus and shall have the following functions, *inter alia*:

- 1) To ensure the proper functioning and implementation of this Agreement, its Annexes and additional Protocols, and continuation of the dialogue between the Parties.
- 2) To consider and submit to the Parties any modifications and amendments to this Agreement.
- 3) To evaluate the process of trade liberalisation established under this Agreement, study the development of trade between the Parties and recommend further steps to create a Free Trade Area in accordance with Article 2.
- 4) To perform other functions that may arise from the provisions of this Agreement, its Annexes and any additional Protocols.
- 5) To establish mechanisms to encourage the active participation of the private sectors in areas covered by this Agreement between the Parties.

- 6) To exchange opinions and make suggestions on any issue of mutual interest relating to areas covered by this Agreement, including future actions.
- 7) The creation of subsidiary bodies as may be necessary, inter alia on Customs, Trade Facilitation and Technical Barriers to Trade, and Sanitary and Phytosanitary Measures.

Chapter XIII

Amendments and Modifications

Article 27

Any Party may initiate a proposal to amend or modify the provisions of this Agreement by submitting such proposal to the Joint Administration Committee. The decision to amend shall be taken by mutual consent of the Parties.

Article 28

The amendments or modifications to the present Agreement shall be adopted by means of additional Protocols thereto.

Chapter XIV

Settlement of Disputes

Article 29

Any dispute arising in connection with the application of, interpretation of, or non compliance with any provision of this Agreement shall be settled in accordance with the rules established in the Annex V of this Agreement.

Chapter XV
Entry into Force

Article 30

This Agreement shall enter into force thirty days after all Signatory Parties have formally notified, through diplomatic channels, the completion of the internal procedures necessary to that effect.

Article 31

This Agreement shall remain in force until the date of entry into force of the Agreement for the creation of a Free Trade Area between MERCOSUR and the Republic of India unless terminated in accordance with Article 32 below.

Chapter XVI
Withdrawal

Article 32

Should any of the Contracting Parties wish to withdraw from this Agreement, it shall give formal notice of its intention to the other Party at least sixty days in advance. Once withdrawn the rights and obligations assumed by the Party concerned shall cease to apply, but it shall be bound to comply with obligations in connection with the tariff preferences established in Annexes I and II of this Agreement for a term of one year, unless otherwise agreed upon.

Chapter XVII

Depositary

Article 33

The Government of the Republic of Paraguay shall be the Depositary of this Agreement for the MERCOSUR.

Article 34

In fulfilment of the Depositary functions assigned in the above Article, the Government of the Republic of Paraguay shall notify the other Member States of MERCOSUR the date on which this Agreement shall enter into force.

Chapter XVIII

Transitory Provision

Article 35

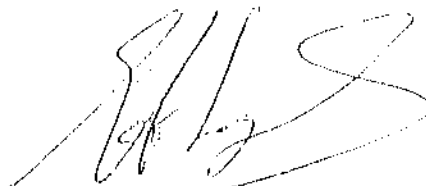
Annexes I to V referred to in this Agreement shall be negotiated expeditiously with a view to early implementation of this Agreement.

IN WITNESS WHEREOF the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

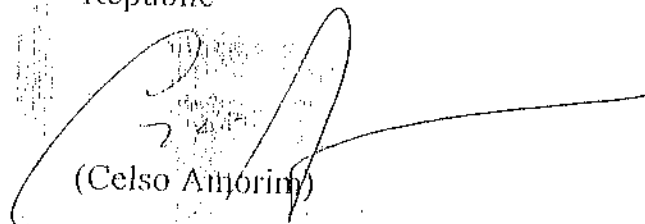
Done in the city of New Delhi, on this the 25th day of January 2004, in two originals each in the Spanish, Portuguese and English languages, all texts being equally authentic. In case of doubt or divergence of interpretation, however, the English text shall prevail.



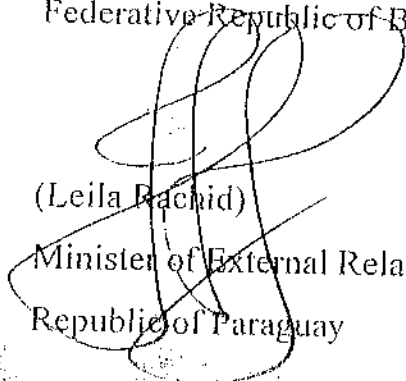
(Arun Jaitley)
Commerce and Industry Minister,
Government of India,
New Delhi.



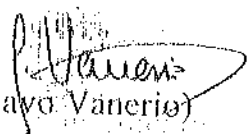
(Eduardo Alberto Sigal)
Under Secretary for American
Economic Integration and
MERCOSUR of the Argentine
Republic



(Celso Amorim)
Minister of External Relations of the
Federative Republic of Brazil



(Leila Pachid)
Minister of External Relations of the
Republic of Paraguay



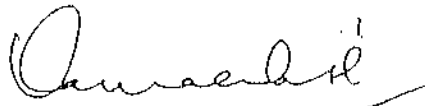
(Gustavo Vanerio)
Director General of Integration and
MERCOSUR of the Ministry of
Foreign Affairs of the República
Oriental del Uruguay

WHEREAS India and MERCOSUR had signed a Framework Agreement on 17th June 2003 at Asuncion, Paraguay with the aim to strengthen relations between the Contracting Parties, to promote the expansion of trade and to provide the conditions and mechanisms to negotiate a Free Trade Area in conformity with the rules and disciplines of the World Trade Organisation.

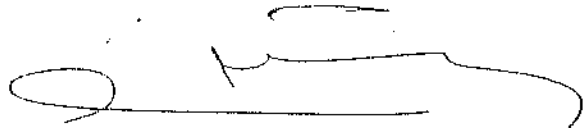
WHEREAS in pursuance of the Framework Agreement, India and MERCOSUR had signed a Preferential Trade Agreement (PTA) in New Delhi on 25th January 2004 with the aim to expand and strengthen the existing relations between India and MERCOSUR, to promote the expansion of trade by means of granting reciprocal fixed tariff preferences and to create a Free Trade Area between the Parties.

NOW, HEREBY WE commend the five Annexes: two offer lists of products, one from each side (Annexes-I&II), legal text on Rules of Origin (Annex-III), legal text on Safeguard Measures (Annex -IV) and legal text on Dispute Settlement Procedure (Annex-V) for incorporation in the Preferential Trade Agreement as an integral part of it and in order to make it operational.

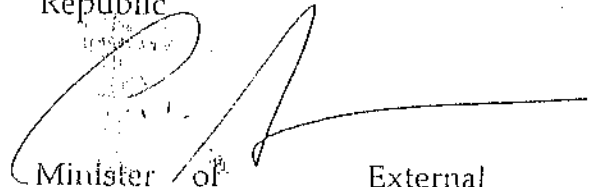
Done in the city of New Delhi, on this the 19th day of March 2005, in two originals each in the Spanish, Portuguese and English languages, all texts being equally authentic. In case of doubt or divergence of interpretation, however, the English text shall prevail.



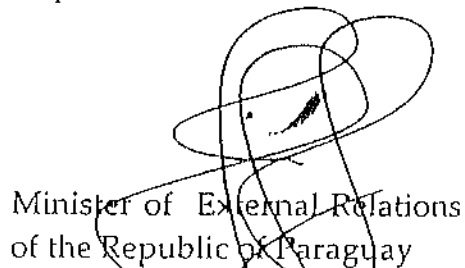
Commerce and Industry
Minister
Republic of India



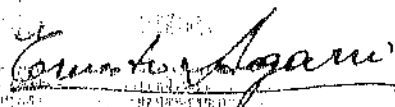
Secretary for Trade and
International Economic
Relations of the Argentine
Republic



Minister of External
Relations of the Federative
Republic of Brazil



Minister of External Relations
of the Republic of Paraguay



Vice Minister of Livestock,
Agriculture and Fishery of the
Oriental Republic of Uruguay

ANNEX I
MERCOSUR's offer list to India

SI No.	NCM / 02	Product description	Margins of preferenon offered by MS	Observations
1	04021010	MILK AND CREAM, CONCENTRATED OR SWEETENED-Containing less than 5 ppm of arsenic, lead or copper	10	
2	07133319	LEGUMINOUS VEGETABLES, DRIED SHELLLED-Other beans	10	
	08011110	Dried coconuts shelled, whether or not shredded	20	Tariff rate quote 250 mt/year, only offered by Paraguay
3				
4	08081000	Apples	10	
	09093000	Seeds of cumin	20	Tariff rate quote 100 mt/year, only offered by Paraguay
5				
6	10059010	Grain	10	
7	11010010	Wheat flour	10	
8	18010000	COCOA BEANS, WHOLE OR BROKEN, RAW OR ROASTED	10	
9	19012000	Mixes and doughs for the preparation of bakers' wa	10	
10	21069030	FOOD PREPARATIONS NESOI-Food supplements	10	
11	21089090	FOOD PREPARATIONS NESOI-Other	10	
	22029000	WATERS, SWEETENED ETC & OTH NONALC BEVERAGES NESOI-Other	10	
12				
13	25102010	Natural calcium phosphates	100	
14	25151100	Crude or roughly trimmed marble slab	10	
15	25191000	Natural magnesium carbonate (magnesite)	10	
16	26080010	Zinc sulphides	20	
	27101141	OIL (NOT CRUDE) FROM PETROL & BITUM MINERAL ETC.-For the petrochemical industry	100	
17	27101149	OIL (NOT CRUDE) FROM PETROL & BITUM MINERAL ETC.-Other	100	
18				
19	27101921	Gasoline (diesel oil)	100	
20	27122000	Paraffin wax containing by weight less than 0.75%	10	
	27131200	PETROLEUM COKE, PETROLEUM BITUMEN & OTHER RESIDUES- Calcined	10	
21				
22	28030011	Acetylene blacks	10	
23	28070010	Sulphuric acid	10	
24	28070020	Oleum (fuming sulphuric acid)	10	
25	28111920	Phosphoric acid (phosphorous acid)	10	
26	28141000	Anhydrous ammonia	10	
	28362010	CARBONATES; PEROXOCARBONATES: COMM AMM CARBONATE- Anhydrous	10	
27				
28	29031200	Dichloromethane (methylene chloride)	10	
29	29031300	Chloroform (trichloromethane)	10	
30	29051430	Ter-butyl alcohol (2-methyl-2-propanol)	10	
31	29051710	Lauryl alcohol	10	
32	29051720	Cetyl alcohol	10	
33	29051730	Stearyl alcohol	10	
34	29051919	Other	10	
35	29054900	Other Glycerine	10	
	29061990	CYCLIC ALCOHOLS & HALOGENATD, SULFONATD ETC DERIVS- Other	20	
36				
37	29071200	Cresols and their salts	10	
38	29072200	Hydroquinone (quinol) and its salts	10	
39	29072900	Other	10	
40	29122910	Alpha-amyl cinnamic aldehyde	10	
41	29122920	Alpha-hexylcinnamic aldehyde	10	
42	29122990	Other	10	
43	29124990	Other	10	
44	29183890	Other	10	
45	29181910	Bromopropylate	10	
46	29181921	Ursodiol (ursodeoxycholic acid)	10	
47	29181941	Benzyllic acid	10	
48	29181942	Salts	10	
49	29181943	Esters	10	
50	29181990	Other Benzyllic acids	10	
51	29182219	Other	10	
52	29182220	Esters	10	
53	29183010	Ketoprotene	10	

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SI No.	NCM / 02	Product description	Margins of preference offered by MS	Observations
54	29183020	Methyl butyrate acetate	10	
55	29183039	Other	10	
56	29183040	2-nitromethylbenzylidene acetylacetate	10	
57	29183090	Other	10	
58	29189099	Other	10	
59	29209090	ESTERS OF INORG ACIDS & SALTS; THEIR HALOG ETC DER-Other	10	
60	29211112	Monomethylamine salts	10	
61	29211129	Other Amine Function Compounds	10	
62	29212990	Other Amine Function Compounds	10	
63	29213019	Other Amine Function Compounds	10	
64	29213090	Other Amine Function Compounds	10	
65	29214211	Sulphonylic acid and its salts	10	
66	29214219	Other	10	
67	29214229	Other	10	
68	29214231	4-Nitroaniline	10	
69	29214239	Other	10	
70	29214241	5-Chloro-2-nitroaniline	10	
71	29214249	Other	10	
72	29214290	Other	10	
73	29214429	Other Amine Function Compounds	10	
74	29214990	Other Amine Function Compounds	10	
75	29215120	Sulphonated derivatives of phenylenediamines and	10	
76	29215135	N-phenyl-p-phenylenediamine (4-aminodiphenylamine)	20	
77	29215139	Other Amine Function Compounds	10	
78	29215190	Other Amine Function Compounds	10	
79	29215990	Other-Aromatic Polyamines NESOI and Derivative	10	
80	29221200	Diethanolamine and its salts	10	
81	29221919	Other	10	
82	29222100	Aminonaphthosulphonic acids and their salts	10	
83	29222911	p-Aminophenol	10	
84	29222919	Other	10	
85	29222920	Nitroanisidines and its salts	10	
86	29222990	Other	10	
87	29225011	Chlorohydrate	10	
88	29225019	Other	10	
89	29225021	Chlorohydrate	10	
90	29225029	Other	10	
91	29225041	Tartrate	10	
92	29225048	Other	10	
93	29225091	N-(1-(Methoxycarbonyl) propane-2-yl)-alpha-amino-	10	
94	29225099	Other	10	
95	29231000	Choline and its salts	10	
96	29239020	Choline derivatives	10	
97	29241999	Other	10	
98	29242919	Other	10	
99	29242949	CARBOXYAMIDE-FUNCTION COMP; AMIDE-FUNCTION COM ETC-Other	10	
100	29242991	CARBOXYAMIDE-FUNCTION COMP; AMIDE-FUNCTION COM ETC-Aspartame	20	
101	29242999	CARBOXYAMIDE-FUNCTION COMP; AMIDE-FUNCTION COM ETC-Other	20	
102	29269099	NITRILE-FUNCTION COMPOUNDS-Other	10	
103	29280019	Other	10	
104	29280020	Carbidopa	10	
105	29280030	2-Hydrazine ethanol	10	
106	29280090	ORGANIC DERIVATIVES OF HYDRAZINE OR HYDROXYLAMINE-Other	10	
107	29291090	NITROGEN FUNCTION COMPOUNDS NESOI-Other	10	
108	29299019	Other	10	
109	29299029	Compounds with other nitrogen function. Other.	10	
110	29299090	Other	10	
111	29309019	Organic Sulfur Compounds nes	10	
112	29309029	Other	10	
113	29309034	2-hydroxy-4-(methylthio) butanoic acid and its ca	20	
114	29309061	Acephate	10	
115	29310010	Other	10	
116	29321910	Ranitidine and its salts	10	
117	29321990	Other	10	
118	29322190	Other	10	
119	29322990	Lactones ncop.	10	

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SI No.	NCM / 02	Product description	Margins of preference offered by MS	Observations
120	29329921	Ivermectine	10	
121	29331111	Dlpiroxa	20	
122	29331911	Calcium phenylbutazone	10	
123	29331919	Other	10	
124	29331990	HETEROCYCLIC COMP, NIT HETERO-ATOMS ONLY-Other	20	
125	29332911	2-Methyl-5-nitroimidazole	10	
126	29332919	Other	10	
127	29332923	Clonidine chlorohydrate	10	
128	29332924	Isoconazole nitrate	10	
129	29332925	Chlorotrimazole	10	
130	29332929	Other	10	
131	29332991	Imidazole	10	
132	29332992	Histidine and its salts	10	
133	29332993	Ondansetron and its salts	10	
134	29332999	Other	10	
135	29333110	Pyridine	10	
136	29333120	Pyridine salts	10	
137	29333200	Piperidine and its salts	10	
138	29333914	Hloxyphlop (RS)-2-[4-(3-chloro-5- trifluoromethyl	10	
	29333919	Other - Compounds containing an unfused pyridine ring etc NESOI	10	
139			10	
140	29333921	Picloram	10	
141	29333922	Chloropyrifos	10	
142	29333929	HETEROCYCLIC COMP, NIT HETERO-ATOMS ONLY-Other	10	
143	29333989	Other	10	
144	29333999	HETEROCYCLIC COMP, NIT HETERO-ATOMS ONLY-Other	10	
145	29334990	HETEROCYCLIC COMP, NIT HETERO-ATOMS ONLY	10	
146	29335919	HETEROCYCLIC COMP, NIT HETERO-ATOMS ONLY	10	
147	29336100	Melamine	10	
148	29339932	CARBAMAZEPINA	10	
	29341090	NUCLEIC ACIDS & SALTS, HETEROCYCLIC COMP NESOI-Other	10	
149			10	
150	29349929	Other	10	
151	29349939	Other	10	
152	29350012	Chlorothalidone	10	
153	29350019	SULFONAMIDES-Other	10	
154	29350029	Other	10	
155	29350091	Chloramine-B; Chloramine-T	10	
156	29350099	SULFONAMIDES-Other	10	
157	29362119	Other	10	
158	29362490	Other	10	
159	29362520	Pyridoxine chlorohydrate	10	
160	29362790	Other	10	
161	29369000	Other, including natural concentrations	10	
	29371990	Hormones, prostaglandins, thromboxanes, and leukotrienes, natural or reproduced by synthesis; derivatives and structural analogues thereof, including chain modified polypeptides, used primarily as hormones. Other.	10	
162			10	
163	29372110	Cortisone	10	
164	29372120	Hydrocortisone	10	
165	29372130	Prednisone (dehydrocortisone)	10	
166	29372140	Prednisolone (dehydrohydrocortisone)	10	
167	29372210	Dexamethasone and its derivatives	10	
168	29372221	Triamcinolone acetonide	10	
169	29372229	Other	10	
170	29372231	Difluorcortolone valerate	10	
171	29372239	Other	10	
	29372290	HORMONES; DERIVATIVES & STERIODS USED AS HORMONES-Other	10	
172			10	
173	29372310	Medroxyprogesterone and its derivatives	10	
174	29372321	L-NORGESTREL (LEVONORGESTREL)	10	
175	29372322	DL-NORGESTREL	10	
176	29372329	Norgestrel and its derivatives. Other.	10	
177	29372339	Oestrol, its esters and salts. Other.	10	
178	29372349	Oestradiol, its esters and salts; derivatives thereof. Other.	10	
179	29372399	Oestrogens and progestogens. Other.	10	
180	29372910	Methylprednisolone and its derivatives	10	
181	29372920	Hydrocortisone sodium 21-Succinate	10	
182	29372931	Cyproterone acetate	10	
	29372990	HORMONES; DERIVATIVES & STERIODS USED AS HORMONES-Other	10	
183			10	

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Sl No.	NCM / 02	Product description	Margins of preference offered by MS	Observations
184	29373100	EPINEFRINA	10	
185	29373812	METILDOPA	10	
186	29373919	Tyrosine and its derivatives; salts thereof. Other.	10	
187	29373990	Catecholamine hormones, their derivatives and structural analogues. Other.	10	
188	29374090	Amino-acid derivatives. Other.	10	
189	29375000	Prostaglandins, thromboxanes and leukotrienes, their derivatives and structural analogues.	10	
190	29379090	Prostaglandins, thromboxanes and leukotrienes, their derivatives and structural analogues. Other.	10	
191	29389090	Other	10	
192	29391121	Buprenorphine and its salts	10	
193	29391161	MORFINA	10	
194	29391162	Morphine hydrochloride and morphine sulfate	10	
195	29391169	OUTROS	10	
196	29391900	Alkaloids of opium and their derivatives; salts thereof. Other.	10	
197	29392100	Quinine and its salts	10	
198	29392900	Other	10	
199	29393010	Caffeine	10	
200	29393020	Caffeine salts	10	
201	29394100	Ephedrine and its salts	10	
202	29394200	Pseudoephedrine (DC1) and its salts	10	
203	29394800	Ephedrine and their salts. Other.	10	
204	29395910	Theophylline.	10	
205	29395920	Aminophylline.	10	
206	29395990	Theophylline and aminophylline (theophylline ethylenediamine) and their derivatives; salts thereof. Other.	10	
207	29396100	Ergometrine (DC1) and its salts	10	
208	29396200	Ergotamine (DC1) and its salts	10	
209	29396911	Methylergometrine maleate	10	
210	29396919	Other	10	
211	29396921	Dihydroergotamine mesilate	10	
212	29396929	Other	10	
213	29396931	Dihydroergocornine mesilate	10	
214	29396939	Other	10	
215	29396941	Alpha-dihydroergocryptine mesilate	10	
216	29396942	Beta-dihydroergocryptine mesilate	10	
217	29396949	Other	10	
218	29396951	Ergocristine	10	
219	29396958	Other	10	
220	29396990	Other	10	
221	29399111	Cocaine and its salts.	10	
222	29399911	N-Butylscopolammonium bromide	10	
223	29399919	Scopolamine and its derivatives; salts thereof. Other.	10	
224	29399920	Theobromine and its derivatives; salts thereof.	10	
225	29399939	Pilocarpine and its salts. Other.	10	
226	29399990	Other	10	
227	29400011	Galactose	10	
228	29400019	Other	10	
229	29400029	Other	10	
230	29400099	Other	10	
231	29411031	Potassium penicillin V	10	
232	29411039	Other	10	
233	29411049	Other	10	
234	29411090	Other	10	
235	29412010	Sulphates	10	
236	29412090	Other	10	
237	29413010	Tetracyclin chlorohydrate	10	
238	29413020	Oxytetracycline	10	
239	29413031	Minocyclin	10	
240	29413032	Salts	10	
241	29413090	Other	10	
242	29414019	Other	10	
243	29414020	Thiarphenicol and its esters	10	
244	29414090	Other	10	
245	29415010	Clarithromycin	10	
246	29415090	Other	10	
247	29419011	Rifamycin S	10	
248	29419012	Rifamycin (AMP)	10	
249	29419013	Sodium SV Rifamycin	10	
250	29419019	Other	10	

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Sl No.	NCM / 02	Product description	Margins of preference offered by MS	Observations
251	29419022	Clindamycin phosphate	10	
252	29419029	Other	10	
253	29419031	Cephtriaxone and its salts	10	
254	29419032	Cephoperaxone and its salts	10	
255	29419034	Cephadroxyil and its salts	10	
258	29419035	Sodium cephotaxim	10	
257	29419036	Cephoxylin and its salts	10	
258	29419039	ANTIBIOTICS-Other	10	
259	29419041	Neomycin sulphate	10	
260	29419049	Other	10	
261	29419051	Spyramycin Embonate (Spyramycin Paincoate)	10	
262	29419059	Other	10	
263	29419061	Nystatin and its salts	10	
264	29419062	Amphotericino B and thoir salts	10	
265	29419069	Other	10	
266	29419071	Sodium monensin	10	
267	29419072	Narasin	10	
268	29419073	Amylaminicins	10	
269	29419079	Other	10	
270	29419081	Polymyxins and their salts	10	
271	29419082	Cholistin sulphate	10	
272	29419083	Virginiamycins and thoir salts	10	
273	29419089	Other	10	
274	29419081	Griseofulvin and its salts	10	
275	29419099	ANTIBIOTICS-other	10	
276	29420010	Other organic compounds, Mercuric acetylacetonate.	10	
277	29420090	Other	10	
278	30022019	HUMAN BLOOD; ANIMAL BLOOD; ANTISERA, VACCINES ETC-Other	10	
279	30022021	Against influenza	10	
280	30022025	Against meningitis	10	
281	30022026	Against German measles, measles, triplonides	10	
282	30022029	HUMAN BLOOD; ANIMAL BLOOD; ANTISERA, VACCINES ETC-Other	10	
283	30023010	Against rabies	10	
284	30023020	Against coccydiosis	10	
285	30023070	Against leptospirosis	10	
286	30023080	Against leptospirosis	10	
287	30023090	Other vaccines	10	
288	31022100	Ammonium sulphate	10	
289	33012200	Of Jasmin	10	
290	33012300	Of lavender or of lavandin	10	
291	33012520	Of spearmint (mentha viridis L)	10	
292	33012590	Other	10	
293	33012990	Other	10	
294	33013000	Resinoids	10	
295	33021000	ODORIFEROUS MIXTURE; RAW MAT'L FOR INDUS & BEV MFG-Of a kind used in the food or drink industries	20	
296	33029019	Other - Mixtures of Odoriferous substances, ETC, NESOI	20	
297	33029090	Other - Mixtures of Odoriferous substances, ETC, NESOI	20	
298	33049910	Beauty creams, nourishing cream, tonic lotions	10	
299	33049990	BEAUTY, MAKE-UP & SKIN-CARE PREP; MANICURE ETC PRP-Other	10	
300	33059000	Other - Preparations for use on the Hair, NESOI	10	
301	37013022	PHOTO PLATES & FILM, FLAT, SENSITIZED, UNEXPOSED-Other	20	
302	37024100	plates & film nes with any side over 255 mm, unexposed of polyester	20	
303	37029400	PHOTO FILM IN ROLLS SENSITIZED, UNEXPOSED-Of a width exceeding 810 mm and of a length exceed	10	
304	37079021	PHOTOGRAPHIC CHEMICALS; UNMIXED PROD RETAIL PACKED- With a basis of carbon black or a colorant and the	20	
305	38112180	ANTIKNOCK PREPS & OTHER ADDITIVES FOR MINERAL OILS-Other	10	
306	38237020	Lauric	10	
307	39071031	POLIDEXTROSE SEM CARGA, EM LIQUIDO E PASTAS	10	
308	39072020	Polytetramethylene ether glycol	20	
309	39074090	Other	10	
310	39081019	Other	10	
311	39081029	Other	10	

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Sl No.	NCM / 02	Product description	Margins of preference offered by MS	Observations
312	39121200	Other Cellulose Plasticized	10	
313	38140011	Sulphonated copolymers of styrene/divinylbenzene	10	
	38201010	Polyethylene sheet of a density exceeding 0.94, of a thickness not	10	
314		exceeding 19 micrometers (microns), in cylinders of a width not exceed		
	38206211	Plates, sheets, etc. of a thickness of less than 5 micrometers (microns)	10	
315				
318	40012100	Smoked sheets	20	
	40012920	NATURAL RUBBER, BALATA, CHICLE ETC, PRIM FORM ETC-in		
317		granules or compressed	20	
	40023900	SYNTH RUBBER & FACTICE, INC NAT-SYN MIX, PR FM ETC-Other	10	
318				
	40024900	SYNTH RUBBER & FACTICE, INC NAT-SYN MIX, PR FM ETC-Other	10	
319				
320	40070011	Other vulcanized rubber thread and cord	10	
321	40091100	Pipe, not reinforced or otherwise combined with other material	10	
	40093100	Pipe, tubes reinforced /combined with textiles with or without fittings	10	
322				
323	40094290	Other vulcanized rubber tubes	10	
324	40101900	Other	10	
	40103100	Where the rubber compound content is less than 25% by weight	10	
325				
326	40103900	Other transmission belts	10	
327	40141000	Sheath contraceptives	10	
	41041111	Leather of Bovine, wet blue condition - S < = 2.6M2 (with no hair)	10	
328				
329	47020000	Chemical wood pulp, dissolving grades	20	
330	47081000	Cotton linters pulp	20	
331	48010010	Weighing 57 g/square meter or less in which 65% or	10	
332	48109810	Other	10	
333	48109990	Other	10	
	56071011	Twine, cordage, ropes and cables, whether or not plaited or braided and whether or not impregnated, coated, covered or sheathed with rubber or plastics. Less than 0.75 metric number per single yarn.	10	
334				
335	69021011	Bricks	10	
336	69022092	Siliceous, semi-siliceous or of silica	10	
337	70181010	Glass beads	10	
	71069100	SILVER (INCL PREC PLATED), UNWR. SEMIFR OR POWDER- Unwrought	20	
338				
339	71101910	Bars, rods, wire and sections	20	
	71102100	PLATINUM, UNWROUGHT, SEMIFR FORMS OR IN POWDER FM- Unwrought or in powder form	20	
340				
	71102900	PLATINUM, UNWROUGHT, SEMIFR FORMS OR IN POWDER FM- Other	20	
341				
342	72023000	Ferro-silico-manganese	20	
343	74031100	Cathodes and sections of cathodes	20	
	74081100	COPPER WIRE-Of which the maximum cross-sectional dimension exc	10	
344				
345	75021010	Cathodes	20	
346	75021090	NICKLE, UNWROUGHT-Other	20	
347	76011000	Aluminum, not alloyed	10	
	76061110	ALUMINUM PLATES, SHEETS & STRIP OVER .2MM THICK-Containing by weight of silicon, more than or equal	20	
348				
	76061210	ALUMINUM PLATES, SHEETS & STRIP OVER .2MM THICK-Containing by weight, 4% or more but not more than	20	
349				
	76071910	Aluminium Foil etched, whether or not coated with aluminum oxide.	20	
350				
351	82023900	Other circular saw blades including parts	10	
352	82031010	Files and rasps of base metal	10	
353	82031090	Other files and rasps of base metal	10	
354	82032010	Pliers (including cutting pliers)	10	
355	82032090	Other pliers (including cutting pliers)	10	
	82041100	Non-adjustable hand operated spanners and wrenches and parts	10	
356				
357	82041200	Adjustable hand operated spanners and wrenches and parts	10	
	82051000	Drilling, threading or tapping tools and parts thereof, base metal	10	
358				
	82053000	Planes, chisels, gouges and similar cutting tools for wood working, parts thereof of base metal	10	
359				
360	82065900	Other handtools and parts of base metal	10	

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SI No.	NCM / 02	Product description	Margin of preference offered by MS	Observations
361	82057000	Vises, clamps and the like	10	
362	82090019	Other paltes, sticks tips etc. of tools, unmounted	10	
363	82090090	Other plates, sticks tips etc. of tools	10	
364	82122010	Safety razor blades	10	
365	82122020	Safety Razor blade blanks in strips	10	
366	83016000	Parts Of Locks, Base Metal	10	
367	83024900	Other mountings & similar articles and parts of base metal nes	10	
368	83026000	Automatic door closers	10	
369	83062100	Statuettes and other ornaments and parts of base metal not plated with precious metal	10	
370	83062900	Statuettes and other ornaments and parts of base metal not plated with precious metal	10	
371	84099112	Cylinder blocks, cylinder heads, sumps and housing	10	
372	84099113	Carburetors	10	
373	84119900	Other turbo-jets, turbo-propellers and other gas turbines, nes	100	
374	84133020	Injection pumps for compression-ignition engines	10	
375	84148021	Air turbo-compressors, fed by exhaust gas, for eng	10	
376	84148031	Piston type compressors and fans etc.	10	
377	84148033	Centrifugal Pumps	10	
378	84198999	MACHINERY ETC FOR TEMP CHANG TREAT MAT; W HEAT, PT-Other machinery	10	
379	84212990	CENTRIFUGES; FILTER ETC MACH FOR LIQ OR GASES; PTS-Other	10	
380	84248900	MECH APPL TO DISPERSE LIQ ETC; SAND ETC BLAST MACH-Other	10	
381	84272090	FORK-LIFT TRUCKS; OTH WORKS TRUCKS WITH LIFTS ETC.-Other	10	
382	84304190	MACH NESOI, MOVING, GRAD ETC; PILE-DR; SNOFLOW ETC-Other	10	
383	84399100	MACHINERY FOR MAKING PULP & MAKING ETC PAPER; PTS-Of machinery for making pulp of fibrous,cellulosic	20	
384	84431990	PRINT MACH INCL INK-JET MACH ANCIL T PRNT PT NESOI-Other	10	
385	84433000	Flexographic printing machinery	10	
386	84452000	Textile spinning machines	100	
387	84501100	Fully automatic washing machines	10	
388	84514029	MACHINERY (NOT LAUNDRY) FOR CLEANING, DRYING ETC-Other	10	
389	84563011	Operated by electro-discharge processes numerically controlled for cylindrical surfaces	100	
390	84602100	MACHINE TOOLS FOR HONING OR FINISHING METAL ETC- Numerically controlled	20	
391	84614099	Other	10	
392	84629119	Other presses for molding metallic powder by sintering	10	
393	84659400	Bending or assembling machines	10	
394	84717011	AUTOMATIC DATA PROCESS MACHINES; MAGN READER ETC-For floppy disks	20	
395	84717029	AUTOMATIC DATA PROCESS MACHINES; MAGN READER ETC-Other	10	
396	84717032	AUTOMATIC DATA PROCESS MACHINES; MAGN READER ETC-For cartridges	20	
397	84719011	AUTOMATIC DATA PROCESS MACHINES; MAGN READER ETC-Of magnetic cards	10	
398	84719012	AUTOMATIC DATA PROCESS MACHINES; MAGN READER ETC-Bar code readers	10	
399	84719014	SCANNERS	10	
400	84723020	Automatic machines for selecting correspondence by format and classification and for distributing the same by optic reader of the postal code	20	
401	84733019	PARTS ETC FOR TYPEWRITERS & OTHER OFFICE MACHINES-Other	10	
402	84733031	HDA Head Disk Assembly of rigid disk units, mounte	10	
403	84771019	MACHINERY FOR WORKING RUBBER & PLAST ETC NESOI, PT-Other	10	
404	84771099	MACHINERY FOR WORKING RUBBER & PLAST ETC NESOI, PT-Other	10	
405	84772010	For thermoplastic materials with screws of a diam	20	
406	84772080	Other - Extruders for working rubber or plastic	10	
407	84793000	Presses for the manufacture of particle board or f	10	
408	84795000	Industrial robots, not included or specified elsew	20	

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SI No.	NCM / 02	Product description	Margins of preference offered by MS	Observations
409	84798899	Other Machinery and mechanical appliances with individual functions	10	
410	84804100	Injection or compression types	20	
411	84818092	Solenoid valves	20	
412	84819080	TAPS, COCKS, VALVES ETC FOR PIPES, TANKS ETC, PTS-Other	20	
413	84821010	Radial ball bearings	10	
414	84822080	BALL OR ROLLER BEARINGS AND PARTS-Other	10	
415	84824000	Needle roller bearings	10	
418	84825080	Other - Cylindrical Roller Bearing NESOI	10	
417	84828000	BALL OR ROLLER BEARINGS AND PARTS-Other, including combined ball/roller bearings	10	
418	84829900	BALL OR ROLLER BEARINGS AND PARTS-Other	10	
419	84833020	Bearings	20	
420	85011011	Less than 1.8 degrees	100	
421	85011019	ELECTRIC MOTORS AND GENERATORS (NO SETS)-Other	10	
422	85015210	Three-phase, with a squirrel cage rotor	10	
423	85042100	ELEC TRANS, STATIC CONV & INDUCT, ADP PWR SUPP, PT-Having a power handling capacity not exceeding 650	20	
424	85044030	DC converters	10	
425	85122011	ELECTRIC LIGHT ETC EQUIP; WINDSH WIPERS ETC, PARTS-Headlights	20	
426	85173041	ELECTRIC APPARATUS FOR LINE TELEPHONY ETC, PARTS-With a trunk speed exceeding 72 kbits/second and s	10	
427	85173061	ELECTRIC APPARATUS FOR LINE TELEPHONY ETC, PARTS-Of the crossconnect type	10	
428	85173062	ELECTRIC APPARATUS FOR LINE TELEPHONY ETC, PARTS-With a serial interface speed of at least 4 mbits/	10	
429	85173069	ELECTRIC APPARATUS FOR LINE TELEPHONY ETC, PARTS-Other	10	
430	85179099	ELECTRIC APPARATUS FOR LINE TELEPHONY ETC, PARTS-Other	10	
431	85181000	Microphones and stands therefor	10	
432	85232010	Magnetic Discs - Of a kind used in hard disc drives	100	
433	85252019	TRANS APPAR FOR RADIOTELE ETC; TV CAMERA & REC-Other	10	
434	85252021	TRANS APPAR FOR RADIOTELE ETC; TV CAMERA & REC-For base stations	10	
435	85252023	Fixed terminals, without an incorporated energy so	10	
436	85283000	Video projectors	10	
437	85299090	PARTS FOR TELEVISION, RADIO AND RADAR APPARATUS-Other	10	
438	85389020	Electronic assemblies, mounted	10	
439	85409190	Other	10	
440	85472000	Insulating fittings of plastics	10	
441	86021000	Diesel-electric locomotive	10	
442	87082895	Instrument panels	10	
443	87089493	Steering boxes	10	
444	90139000	LIQUID CRYSTAL DEVICES NESOI; LASERS; OPT APPL; PT-Parts and accessories	10	
445	90103220	Needles for sutures	10	
446	90189031	Lithotritors operating by shock waves	100	
447	90189093	Computerized microwave apparatus for intra-urethra	100	
448	90188094	Endoscopes	100	
449	90188095	Clamps and clips, applicators and extractors there	100	
450	90230000	Instruments, apparatuses and models conceived for demonstrations (for example: in education or exhibitions), non susceptible of other uses	10	
451	90314990	MACHINES, NESOI IN CHAPTER 90; PROFILE PROJECT, PT-Other	10	
452	90329099	AUTOMATIC REGULATING OR CONTROL INSTRUMENTS; PARTS-Other	10	

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Annex II

India's offer list to MERCOSUR

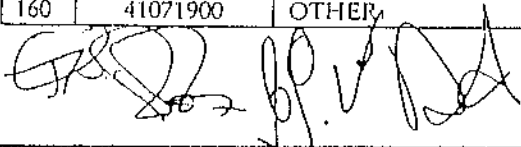
Sl No.	HS code	Description	Proposed margin of Preference	Observations
1	01041010	Sheep including lamb for breeding purpose	10%	
2	02031200	Hams, shoulders and cuts thereof, with bone in	10%	
3	02031900	Other	10%	
4	02032100	Caracasses and half-caracasses	10%	
5	02032200	Hams, shoulders and cuts thereof, with bone in	10%	
6	02032900	Other	10%	
7	02062100	TONGUES OF BOVINE ANIMALS, FROZEN	10%	
8	02062200	LIVERS OF BOVINE ANIMALS, FROZEN	10%	
9	02101100	HAMS, SHOULDER AND CUT THEREOF, WITH BONE OF SWINE	10%	
10	02101200	BELLIES (STREAKY) & CUTS THEREOF OF SWINE	10%	
11	02101900	OTHER MEAT OF SWINE, SLTD, IN BRINE, DRD/SMKD EXCLD. HAM	10%	
12	03011000	Ornamental Fish	10%	
13	15050010	Wool alcohol (inc. lanolin alcohol)	10%	
14	15071000	Soya-bean crude oil, whether or not degummed	10%	Tariff rate quota, 30,000 mt/year, only for Paraguay
15	22072000	denatured ethyl alcohol	20%	
16	28182010	ALUMINA CALCINED	20%	
17	28183000	ALUMINUM HYDROXYDE	20%	
18	28241010	Litharge	20%	
19	28332210	ALUMINUM SULPHATE (IRON FREE)	20%	
20	28332290	OTHER	20%	
21	28332910	Ferrous Sulphate	20%	
22	28491000	OF CALCIUM	20%	
23	28500010	HYDRIDES	20%	
24	28500020	NITRIDES	20%	
25	28500030	AZIDES	20%	
26	28500041	OF CALCIUM	20%	
27	28500049	OTHER	20%	
28	28500050	BORIDES	20%	
29	29041010	Benzene sulphonic acid	20%	
30	29041020	1,5 Naphthelene disulphonic acid (Armstrong's acid)	20%	
31	29041030	Naphthelene sulphonic acid	20%	
32	29041040	Vinyl sulphone	20%	
33	29053990	OTHER (2-Metil-2,4-pentanodiol (hexilenoglicol))	20%	
34	29054300	MANNITOL	20%	
35	29094900	OTHER	20%	
36	29141300	4 METHYLPENTAN-2-ONE (METHYL ISOBUTYL KETONE)	20%	

Sl No.	HS code	Description	Proposed margin of Preference	Observations
37	29144000	4-HYDROXY-4-MTHYLPENTAN-2-ONE(DIACETONE-ALCOHOLS)	20%	
38	29173200	Diethylortho Phalate	20%	
39	29181400	CITRIC ACID	20%	
40	29181510	SALTS AND ESTERS OF CITRIC ACID - POTASSIUM CITRATE	20%	
41	29181520	SALTS AND ESTERS OF CITRIC ACID - SODIUM CITRATE	20%	
42	29181530	SALTS AND ESTERS OF CITRIC ACID - BISMUTH CITRATE	20%	
43	29181540	SALTS AND ESTERS OF CITRIC ACID - DISODIUM HYDROGEN CITRATE	20%	
44	29181550	SALTS AND ESTERS OF CITRIC ACID - FERRIC AMMONIUM CITRATE	20%	
45	29181590	SALTS AND ESTERS OF CITRIC ACID - OTHER	20%	
46	29224220	GLUTAMIC SALTS	20%	
47	29232010	LECITHINS AND OTHER PHOSPHOAMINOLIPIDS - LECITHINS	20%	
48	29232090	LECITHINS AND OTHER PHOSPHOAMINOLIPIDS - OTHER	20%	
49	29291020	TOLUENE DI-ISOCYANATE (Mixture of isomers)	20%	
50	29329900	OTHER (Glycerol Formal)	20%	
51	29362920	Niacinamide or niacin	20%	
52	32011000	QUEBRACHO EXTRACT	20%	
53	32041211	ACID YELLOWS	10%	
54	32041212	ACID ORANGES	10%	
55	32041213	ACID RED	10%	
56	32041214	ACID VIOLETS	10%	
57	32041215	ACID BLUES	10%	
58	32041216	ACID GREENS	10%	
59	32041217	ACID BROWN	10%	
60	32041218	ACID BLACKS	10%	
61	32041219	OTHER	10%	
62	32041221	ACID GREEN 17 (solacet fast green 2G)	10%	
63	32041222	ACID GREEN 27 (carbolan green G)	10%	
64	32041223	ACID GREEN 28 (carbolan brill green 5G)	10%	
65	32041224	ACID GREEN 38 (alizarine cyanine green 3G)	10%	
66	32041225	ACID GREEN 44 (alizarine cyanine green GWA)	10%	
67	32041229	OTHER	10%	
68	32041231	ACID BLACK 2 (nigrosine)	10%	
69	32041232	ACID BLACK 48 (coomasie fast grey 3G)	10%	
70	32041239	OTHER	10%	
71	32041241	ACID BLUE 2 (alizarine brill blue PFN)	10%	
72	32041242	ACID BLUE 14 (solacet fast blue 4 G1)	10%	
73	32041243	ACID BLUE 23 (alizarine light blue 4 G1)	10%	

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Sl No.	HS code	Description	Proposed margin of Preference	Observations
74	32041244	ACID BLUE 25 (solway ultra blue B)	10%	
75	32041245	ACID BLUE 45 (solway blue RN)	10%	
76	32041246	ACID BLUE 51 (alizarine sky blue FF8)	10%	
77	32041247	ACID BLUE 52 (alizarine light - 5GL)	10%	
78	32041248	ACID BLUE 78 (solway sky blue B)	10%	
79	32041251	ACID BLUE 93 (ink blue)	10%	
80	32041252	ACID BLUE 112 (coomasie ultra sky SF)	10%	
81	32041253	ACID BLUE 127 (brill alizarine milling blue G)	10%	
82	32041254	ACID BLUE 138 (carbolan blue B)	10%	
83	32041255	ACID BLUE 140 (carboan brill blue 2R)	10%	
84	32041259	OTHER	10%	
85	32041261	YELLOW	10%	
86	32041262	ORANGES	10%	
87	32041263	VIOLETS	10%	
88	32041264	BLUES	10%	
89	32041265	GREENS	10%	
90	32041266	BROWNS	10%	
91	32041267	BLACKS	10%	
92	32041268	RED II (alizarine red)	10%	
93	32041269	OTHER	10%	
94	32041291	ACID YELLOWS	10%	
95	32041292	ACID ORANGES	10%	
96	32041293	ACID RED	10%	
97	32041294	ACID VIOLETS	10%	
98	32041295	ACID BROWNS	10%	
99	32041299	OTHER	10%	
100	32041411	YELLOW 12 (chrysophenine G)	10%	
101	32041419	OTHER	10%	
102	32041421	CONGO RED	10%	
103	32041429	OTHER	10%	
104	32041431	BLUE 1 (sky blue FF)	10%	
105	32041439	OTHER	10%	
106	32041440	DIRECT ORANGES (azo)	10%	
107	32041450	DIRECT GREENS (azo)	10%	
108	32041460	DIRECT BROWNS (azo)	10%	
109	32041470	DIRECT BLACKS (azo)	10%	
110	32041481	YELLOW	10%	
111	32041482	ORANGES	10%	
112	32041483	REDS	10%	
113	32041484	VIOLETS	10%	
114	32041485	BLUES	10%	
115	32041486	GREENS	10%	
116	32041487	BROWNS	10%	
117	32041488	BLACKS	10%	

SI No.	HS code	Description	Proposed margin of Preference	Observations
118	32041489	OTHER	10%	
119	32041490	OTHER	10%	
120	32061190	OTHER	10%	
121	32064910	RED OXIDE	10%	
122	32064920	PERSIAN RED	10%	
123	32064930	YELLOW OCHRE	10%	
124	32064940	BRONZE POWDER	10%	
125	32064990	OTHER	10%	
126	34051000	Polishes, creams & similar preparation for footwear & leather	20%	
127	38051020	GUM TURPENTINE OIL	20%	
128	38052000	PINE OIL	20%	
129	38061010	GUM ROSIN	20%	
130	38061090	OTHER	20%	
131	38062000	SALTS OF ROSIN, OF RESIN ACIDS	20%	
132	38063000	ESTER GUMS	20%	
133	38069010	RUM GUMS (EXCP. XXXX9011/9012/9019)	20%	
134	38069090	OTHER (EXCP. XXXX9011/9012/9019)	20%	
135	38082010	Mangb- DESINFECTANTS (based in 2-(tiocianometillio	20%	
136	38084000	benzotiazol)	20%	
137	40082100	For resoling or repairing or retreading rubber tyres.	20%	
138	41021010	Sheep skins	100%	
139	41021020	Pelts of baby lambs	100%	
140	41021030	Lamb skins, other than pelts	100%	
141	41012010	Of Cow, including cow calf	100%	
142	41012020	Of buffalo, including buffalo calf	100%	
143	41012090	Other	100%	
144	41015010	Of Cow, including cow calf	100%	
145	41015020	Of buffalo, including buffalo calf	100%	
146	41015090	Other	100%	
147	41019010	Of Cow, including cow calf	100%	
148	41019020	Of buffalo, including buffalo calf	100%	
149	41019090	Other	100%	
150	41041100	Full grains, unsplit; grain splits	20%	
151	41041900	OTHER	20%	
152	41044100	Full grains, unsplit; grain splits	20%	
153	41044900	OTHER	20%	
154	41051000	In the wet State (Melding wet)	20%	
155	41053000	In the dry state (crust)	20%	
156	41062100	IN THE WET STATE (INCLUDING WET BLUE), VGTBL TANNED	20%	
157	41062200	IN THE DRY STATE (CRUST)	20%	
158	41071100	Full grains, unsplit	20%	
159	41071200	Grain splits	20%	
160	41071900	OTHER	20%	



Sl No.	HS code	Description	Proposed margin of Preference	Observations
161	41079100	Full grains, unsplit	20%	
162	41079200	Grain splits	20%	
163	41079900	OTHER	20%	
164	41120000	LEATHER FURTHER PREPARED AFTER TANNING OR CRUSTING, INCLUDING PARCHMENT-DRESSED LEATHER, OF SHEEP OR LAMB, WITHOUT WOOL ON, WHETHER OR NOT SPLIT, OTHER THAN LEATHER OF HEADING 41144113 LEATHER FURTHER PREPARED AFTER TANNING OR CRUSTING, INCLUDING PARCHMENT-D	20%	
165	41131000	of goats or kids	20%	
166	41141000	Chamois (including combination of leather)	20%	
167	41142010	Patent leather and Patent laminated leather	20%	
168	41142020	METALLISED LEATHER	20%	
169	41151000	Composition leather with a basis of leather or leather fibre, in slabs, sheet strip, whether or not in rolls	20%	
170	41152010	CUTTINGS OF LEATHER	20%	
171	41152090	OTHER	20%	
172	42021110	Travel goods (trunks, suit-cases, sports bags and other similar items) of leather	20%	
173	42021120	TOILET BAGS AND CASES	20%	
174	42021130	Satchels	20%	
175	42021140	BRIEF CASES+D96	20%	
176	42021150	Executive-cases	20%	
177	42021170	Attache-cases	20%	
178	42021190	OTHER	20%	
179	42031010	Jackets and jerseys	20%	
180	42050020	leather sofa cover	20%	
181	42050090	OTHER	20%	
182	43021910	WHOLE SKIN, WITHOUT HEAD, NOT ASSEMBLED OF LAMB	20%	
183	43021990	OTHER	20%	
184	48191000	Boxes of Corrugated Paper and Paper Board	10%	
185	48192020	Boxes of non Corrugated Paper and Paper Board	10%	
186	48196000	Box, files, letter, trays, storage boxes and similar articles of a kind used in offices, shops or the like.	20%	
187	48201010	Registers, Account Books	10%	
188	48201020	Letter Pads	10%	
189	48202000	Exercise Books	10%	
190	48211020	Labels	10%	
191	50020010	Mulberry Raw Silk	20%	
192	50020020	Mulberry Dupion Silk	20%	
193	50020030	Non-Mulberry Silk	20%	
194	51012100	SHORN WOOL	20%	
195	51011100	SHORN WOOL	20%	

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Sl No.	HS code	Description	Proposed margin of Preference	Observations
196	51011900	Other	20%	
197	51012900	OTHER	20%	
198	51021110	Marine Angora	20%	
199	51021190	Other	20%	
200	51052910	COMBED WOOL, WOOL TOPS	20%	
201	51052990	OTHER	20%	
202	52042010	COTTON THREAD, SEWING, CONTAINING ANY SYNTHETIC STAPLE FIBRE	20%	
203	52042020	COTTON THREAD, DARNING	20%	
204	52042030	EMBROIDERY COTTON THREAD	20%	
205	52042040	COTTON SEWING THREAD, NOT CONTAINING ANY SYNTHETIC STAPLE FIBRE	20%	
206	52042090	OTHER	20%	
207	52051310	GREY	20%	
208	52051390	OTHER	20%	
209	52052110	GREY	20%	
210	52052120	BLEACHED	20%	
211	52052130	DYED	20%	
212	52052190	OTHER	20%	
213	52052210	GREY	20%	
214	52052220	BLEACHED	20%	
215	52052290	OTHER	20%	
216	52052310	COTTON YARN, CONTAINING 85 % OF MORE OF WEIGHT OF COTTON-CRUDE	20%	
217	52052390	OTHER	20%	
218	52053110	GREY	20%	
219	52053120	BLEACHED	20%	
220	52053130	DYED	20%	
221	52053190	OTHER	20%	
222	52053210	GREY	20%	
223	52053220	BLEACHED	20%	
224	52053290	OTHER	20%	
225	52064300	MEASURING PER SINGLE YARN LESS THAN 232.56 DECITEX BUT NOT LESS THAN 192.32 DECITEX (EXCEEDING 43 METRIC NUMBER BUT NOT EXCEEDING 52 METRIC NUMBER PER SINGLE YARN)	20%	
226	52071000	CONTAINING 85% OR MORE BY WEIGHT OF COTTON	20%	
227	52079000	OTHER	20%	
228	52081290	OTHER	20%	
229	52081390	OTHER	20%	
230	52081990	OTHER	20%	
231	64034000	Other footwear, incorporating a protective toe cap	20%	
232	64051000	With uppers of leather or composition leather	20%	
233	64052000	With uppers of textile materials	20%	

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Sl No.	HS code	Description	Proposed margin of Preference	Observations
234	64059000	Other	20%	
235	64069910	Leather parts of footwear, other than soles and prepared uppers	20%	
236	64069920	Leather soles	20%	
237	68131000	BRAKE LININGS AND PADS	20%	
238	68139010	ASBESTOS FRICTION MATERIALS	20%	
239	69079010	Vitrified tiles, whether polished or not	20%	
240	69101000	OF PORCELAIN	20%	
241	69120010	Tableware	20%	
242	70010010	Cullet and OTHER waste and scrap of glass	20%	
243	70023100	OF FUSED QUARTZ OR OTHER FUSED SILICA	20%	
244	70060000	GLASS OF HEADING 7003, 7004 OR 7005, BENT EDGE - WORKED, ENGRAVED, DRILLED, ENAMELLED OR OTHERWISE WORKED, BUT NOT FRAMED OR FITTED WITH OTHER MATERIALS	20%	
245	70080010	Glazed glass, double walled	20%	
246	70080020	Glazed glass, multiple walled	20%	
247	70080090	OTHER	20%	
248	70111020	BULBS OF A DIAMETER OF < OR = 90mm	20%	
249	70111090	OTHER	20%	
250	70112000	FOR CATHODE - RAY TUBES	20%	
251	70120000	GLASS INNERS FOR VACUUM FLASKS OR FOR OTHER VACUUM VESSELS	20%	
252	70139110	GLASS STATUES	20%	
253	70139190	OTHER	20%	
254	70139910	GLASS STATUES	20%	
255	70139990	OTHER	20%	
256	70161000	GLASS CUBES AND OTHER GLASS SMALLWARES, WHETHER OR NOT ON A BACKING, FOR MOSAICS OR SIMILAR DECORATIVE PURPOSES	20%	
257	70169000	OTHER	20%	
258	70179090	OTHER	20%	
259	70182000	GLASS MICROSPHERES NOT EXCEEDING 1 MM IN DIAMETER	20%	
260	73030010	Rain water pipe	20%	
261	73030020	--- Soil pipe	20%	
262	73030030	--- Spun pipe	20%	
263	73030090	--- Other	20%	
264	73045910	UP TO 229 mm OUTER DIAMETER	20%	
265	73066010	--- Of iron	20%	
266	73066090	--- Other	20%	
267	73090010	Galvanised Iron tank	20%	
268	73182200	OTHER WASHERS	20%	
269	73182400	COTTERS AND COTTER-PINS	20%	
270	73201020	Trunks and cases	20%	

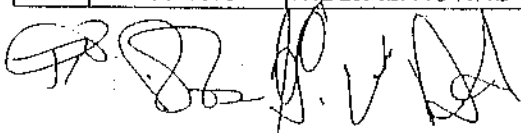
Sl No.	HS code	Description	Proposed margin of Preference	Observations
271	73202000	HELICAL SPRINGS	20%	
272	73209010	COIL SPRING FOR RAILWAYS, TRAMWAYS	20%	
273	73209020	SPRING PINS	20%	
274	73211110	COOKERS AND KITCHEN STOVES	20%	
275	73211120	OTHER STOVES	20%	
276	73211190	OTHER	20%	
277	76042100	HOLLOW PROFILES OF ALUMINIUM ALLOYS	20%	
278	76151910	PRESSURE COOKERS	20%	
279	76151920	NON-STICK UTENSILS	20%	
280	76151930	SOLAR COLLECTORS AND PARTS THEREOF	20%	
281	76151940	OTHER TABLE AND KITCHENWARE	20%	
282	82119100	TABLES KNIVES HAVING FIXED BLADES	20%	
283	82119200	OTHER KNIVES HAVING FIXED BLADES (Obs: for kitchen and butcher's shop)	20%	
284	82130000	SCISSORS, TAILORS' SHEARS AND SIMILAR SHEARS, AND BLADES THEREFOR	20%	
285	83021010	HINGES OF STEEL	20%	
286	83021020	HINGS OF BRASS	20%	
287	83021090	OTHER	20%	
288	83099010	Pillar proof caps for packing all sorts, with or without washers or fittings, of cork, rubber or polyethylene or any other material	20%	
289	83100010	ENAMEL IRON SIGNBOARD	20%	
290	83100090	OTHER	20%	
291	84129090	OTHER PARTS OF MACHINERY OF HEADINGS 8412.21 or 8412.31	20%	
292	84133020	OIL PUMP	20%	
293	84133090	---OTHER	20%	
294	84136010	GEAR TYPE PUMPS	20%	
295	84136090	OTHER	20%	
296	84139110	PARTS OF PUMPS (of reciprocating pump)	20%	
297	84139120	OF CENTRIFUGAL PUMPS	20%	
298	84139130	OF DEEP WELL TURBINE PUMPS AND OF OTHER ROTARY PUMPS	20%	
299	84139140	OF HAND PUMP FOR HANDLING WATER	20%	
300	84139190	OTHER	20%	
301	84151010	AIR CONDITIONER MACHINES, SPLIT SYSTEMS	20%	
302	84151090	OTHER	20%	
303	84152090	OTHER - AIR CONDITIONER MACHINES USED FOR PERSONS IN MOTOR VEHICLES	20%	
304	84158190	OTHER.. INCORPORATING A REFRIGERATING UNIT AND A VALVE FOR REVERSAL OF THE COOLING/HEAT CYCLE	20%	
305	84158290	OTHER	20%	

Sl No.	HS code	Description	Proposed margin of Preference	Observations
306	84158310	SPLIT AIR CONDITIONER TWO TONNES AND ABOVE- Not incorporating a refrigerating unit	20%	
307	84158390	OTHER	20%	
308	84181010	Commercial type - COMBINED REFRIGERATORS - FREEZERS FITTED WITH SEPARATE EXTERNAL DOORS	20%	
309	84181090	OTHER	20%	
310	84182100	REFRIGERATORS HOUSEHOLD TYPE...COMPRESSSION TYPE	20%	
311	84183010	Commercial type electrical - FREEZERS OF THE CHEST TYPE NOT EXCEEDING 500 L CAPACITY	20%	
312	84183090	OTHER	20%	
313	84184010	Electrical - FREEZERS OF THE UPRIGHT TYPE NOT EXCEEDING 900 L CAPACITY	20%	
314	84184090	OTHER	20%	
315	84185000	OTHER REFRIGERATING OR FREEZING CHEST, CABINET, DISPLAY COUNTERS...	20%	
316	84186100	COMPRESSSIONS TYPE UNITS WHOSE CONDENSERS ARE HEAT EXCHANGERS	20%	
317	84186950	REFRIGERATED FARM TANKS, INDUSTRIAL ICE CREAM FREEER	20%	
318	84186990	OTHER	20%	
319	84229010	Of Machinery for cleaning or drying bottles or other containers	20%	
320	84335200	Other threshing machinery	20%	
321	84336010	Machines for cleaning	20%	
322	84336020	Machines for sorting and grading	20%	
323	84378010	Flour mill machinery	20%	
324	84371000	Machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables	20%	
325	84501100	FULLY AUTOMATIC CLOTH MACHINES	20%	
326	84512100	DRYING MACHINES EACH OF A DRY LINEN CAPACITY NOT EXCEEDING 10 KG	20%	
327	84521011	WITH ELETRONIC CONTROLS OR ELETRIC MOTORS	20%	
328	84521012	HAND OPERATED	20%	
329	84521019	OTHER	20%	
330	84521021	WITH ELETRONIC CONTROLS OR ELETRIC MOTORS	20%	
331	84521022	WITHOUT STAND OR TABLE (HEADS) - HAND OPERATED	20%	
332	84521029	WITHOUT STAND OR TABLE (HEADS) - OTHER	20%	
333	84523010	FOR HOUSEHOLD TYPE SEWING MACHINES	20%	
334	84523090	OTHER	20%	
335	84529010	OF HOUSEHOLD SEWING MACHINES	20%	
336	84591000	WAY TYPE UNIT HEAD MACHINES	20%	

Sl No.	HS code	Description	Proposed margin of Preference	Observations
337	84596910	BED TYPE, HORIZONTAL.	20%	
338	84596920	BED TYPE VERTICAL	20%	
339	84596930	PIANO MILLING, SINGLE COLUMN	20%	
340	84596940	PIANO MILLING, DOUBLE COLUMN	20%	
341	84596990	OTHER	20%	
342	84612019	OTHER SHAPING MACHINES	20%	
343	84622910	BENDING AND STRIGHTENING MACHINES	20%	
344	84622920	PRESS BRAKES	20%	
345	84622930	OTHER ROTARY HEAD AND RAM TYPE	20%	
346	84622990	OTHER	20%	
347	84629990	OTHER	20%	
348	84639090	OTHER	20%	
349	84669400	FOR MACHINES OF HEADING 8462 OR 8463	20%	
350	84713090	OTHER AUTOMATIC DATA PROCESSING MACHINES	100%	
351	84716029	OTHER PRINTER	100%	
352	84716090	OTHER (Automatic bank surveillance terminals)	100%	
353	84719000	OTHER	100%	
354	84733099	OTHER	100%	
355	84743200	MACHINES FOR MIXING MINERAL SUBSTANCES WITH BITUMEN	20%	
356	84743900	OTHER	20%	
357	84791000	MACHINERY FOR PUBLIC WORKS, BUILDING OR THE LIKE	20%	
358	84798999	OTHER MACHINES AND MECHANICAL APPLIANCES (OTHER)	20%	
359	84811000	PRESSURE-REDUCING VALVES	20%	
360	84812000	VALVES FOR OLEOHYDRAULIC OR PNEUMATIC TRANSMISSIONS	20%	
361	84818049	OTHER (PLASTIC TAP, PRESSURE REGISTER)	20%	
362	84818090	--OTHER (only for "water entrance valves")	20%	
363	84819090	OTHER	20%	
364	84821020	OTHER BALLBEARING (RADIAL TYPE) OF BORE DIAMETER NOT EXCEEDING 50 MM	20%	
365	84821030	OTHER BALLBEARING (RADIAL TYPE) OF BORE DIAMETER EXCEEDING 50 MM BUT NOT EXCEEDING 100 MM	20%	
366	84821090	OTHER BALL BEARINGS	20%	
367	84822011	OF BORE DIAMETER NOT EXCEEDING 50 MM	20%	
368	84822012	OF BORE DIAMETER EXCEEDING 50 MM BUT NOT EXCEEDING 100 MM	20%	
369	84822013	OF BORE DIAMETER EXCEEDING 100 MM	20%	
370	84822090	OTHER	20%	
371	84823000	SPHERICAL ROLLER BEARINGS	20%	
372	84824000	NEEDLE ROLLER BEARINGS	20%	
373	84825011	OTHER CYLINDRICAL ROLLER BEARINGS: RADIAL TYPE - of bore diameter not exceeding 50 u mm	20%	

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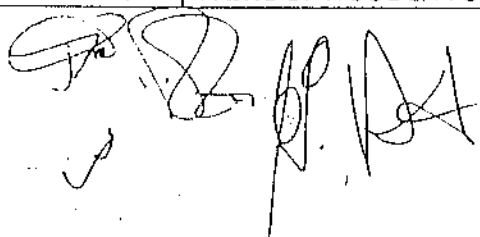
Sl No.	HS code	Description	Proposed margin of Preference	Observations
374	84825012	OTHER CYLINDRICAL ROLLER BEARINGS: RADIAL TYPE - of bore diameter exceeding 50 mm not exceeding 100 mm	20%	
375	84825013	OTHER CYLINDRICAL ROLLER BEARINGS: RADIAL TYPE - of bore diameter exceeding 100 mm	20%	
376	84825021	OTHER CYLINDRICAL ROLLER BEARINGS: RADIAL TYPE - thrust roller bearings - of bore diameter not exceeding 50 mm	20%	
377	84825022	OTHER CYLINDRICAL ROLLER BEARINGS: RADIAL TYPE - thrust roller bearings - of bore diameter exceeding 50 mm but not exceeding 100 mm	20%	
378	84825023	OTHER CYLINDRICAL ROLLER BEARINGS: RADIAL TYPE - thrust roller bearings - of bore diameter exceeding 100 mm	20%	
379	84828000	OTHER, INCLUDING COMBINED BALL OR ROLLER BEARINGS	20%	
380	84829119	OTHER	20%	
381	84829130	ROLLERS (cylindrical rollers)	20%	
382	84829900	---OTHER	20%	
383	84833000	BEARINGS HOUSINGS, NOT INCORPORATING BALL OR ROLLER BEARINGS; PLAIN SHAFT BEARINGS	20%	
384	84841010	GASKETS AND SIMILAR JOINTS OF METAL SHEETING COMBINED - ASBESTOS METALLIC PACKINGS AND GASKETS	20%	
385	84842000	MECHANICAL SEALS	20%	
386	85011020	AC MOTOR (Synchronous)	20%	
387	85013310	MOTORS OF AN OUTPUT EXCEEDING 75 KW BUT NOT EXCEED. 375 KW	20%	
388	85014090	OTHER (FRACTIONAL POWER MOTOR)	20%	
389	85015210	SQUIRREL CAGE INDUCTION MOTOR, 3 PHASE TYPE	20%	
390	85015310	SQUIRREL CAGE INDUCTION MOTOR, 3 PHASE TYPE, OF AN OUTPUT EXCEEDING 75kW	20%	
391	85044010	STATIC CONVERTERS - ELECTRIC INVERTER	20%	
392	85044021	STATIC CONVERTERS - RECTIFIER - DIP BRIDGE RECTIFIER	20%	
393	85044029	STATIC CONVERTERS - RECTIFIER - OTHER	20%	
394	85044030	STATIC CONVERTERS - RECTIFIER - BATTERY CHARGERS	20%	
395	85044040	STATIC CONVERTERS - RECTIFIER - VOLTAGE REGULATOR AND STABILIZERS	20%	
396	85044090	OTHER	20%	
397	85079090	PARTS OF STORAGE BATTERIES (PLASTIC RECIPIENTS AND LIDS)	20%	



Sl No.	HS code	Description	Proposed margin of Preference	Observations
398	85091000	VACUUM CLEANERS, INCLUDING DRY, AND WET VACUUM CLEANERS	20%	
399	85173000	TELEPHONIC OR TELEGRAPHIC SWITCHING APPARATUS	100%	
400	85175030	MODEMS (MODULATORS - DEMODULATORS)	100%	
401	85175099	OTHER	100%	
402	85179090	OTHER APPARATUS PARTS	100%	
403	85365090	OTHER (OBS.: only for 1- switches; 2 -rotative switches)	20%	
404	85366110	LAMP HOLDERS OF PLASTIC	20%	
405	85366190	LAMP HOLDERS OF OTHER MATERIALS	20%	
406	85366910	OF PLASTIC (only for "fuse holders")	20%	
407	85366990	OF OTHER MATERIALS (only for "fuse holders")	20%	
408	85371000	BOARDS, PANELS, CONSOLES, DESKS, ECT, FOR A VOLTAGE NOT EXCEEDING 1,000 V	20%	
409	90091200	OPERATING BY REPRODUCING THE ORIGINAL IMAGE VIA NA INTERMEDIATE ONTO THE COPY (INDIRECT PROCESS)	20%	
410	90099100	AUTOMATIC DOCUMENT FEEDERS	20%	
411	90099200	PAPER FEEDERS	20%	
412	90099300	SORTERS	20%	
413	90099900	OTHER	20%	
414	90189022	KNIVES, SCISSORS AND BLADES (Electro-surgical knife-bistoury)	20%	
415	90189092	BABY INCUBATORS	20%	
416	90258010	HYDROMETERS AND SIMILAR FLOATING INSTRUMENTS (only for: digital measurements instruments)	20%	
417	90258020	BAROMETERS, NOT COBINED WITH OTHER INSTRUMENTS (only for: digital measurements instruments)	20%	
418	90258030	LACTOMETER (only for: digital measurements instruments)	20%	
419	90258090	OTHER	20%	
420	90259000	PARTS AND ACCESSORIES	20%	
421	90278090	OTHER	20%	
422	90291090	OTHER COUNTERS	20%	
423	90303910	AMMETERS, VOLT METERS AND WATT METERS	20%	
424	90303920	OTHER SPECTRUM RESISTANCE METERS	20%	
425	90303930	CAPACITANCE METER	20%	
426	90303940	FREQUENCY MEASURING APPARATUS	20%	
427	90303950	MEGA METERS	20%	
428	90303990	OTHER	20%	
429	90308990	OTHER	20%	

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SI No.	HS code	Description	Proposed margin of Preference	Observations
430	90321090	OTHER THERMOSTATS	20%	
431	90322010	FOR REFRIGERATING AND AIR-CONDITIONING APPLIANCES AND MACHINERY	20%	
432	90322090	OTHER MANOSTATS	20%	
433	94014000	Seat other than garden seats or camping equipment, convertible into beds	20%	
434	94016100	OTHER SEATS WITH WOODEN FRAMES? UPHOLSTERED	20%	
435	94016900	OTHER WOODEN FRAME SEATS	20%	
436	94017900	OTHER METAL FRAME SEATS	20%	
437	94018000	OTHER SEATS	20%	
438	94019000	PARTS	20%	
439	94021090	OTHER	20%	
440	94029010	Hospital beds with mechanical fittings	20%	
441	94029020	Parts	20%	
442	94029090	Others	20%	
443	94032010	OTHER METAL FURNITURE OF STEEL	20%	
444	94034000	Wooden furniture of a kind, used in the kitchenj	20%	
445	94035010	Bed Stead	20%	
446	94035090	OTHER	20%	
447	94036000	OTHER WOODEN FURNITURE	20%	
448	94038010	Furniture of wicker work or bamboo	20%	
449	94038090	OTHER	20%	
450	94039000	PARTS OF WOODEN FURNITURE	20%	



RULES OF ORIGIN

SECTION I

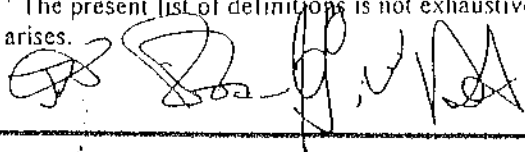
GENERAL PROVISIONS

Article 1. Definitions:¹

For the purpose of this Annex:

- (a) "chapters", "headings" and "subheadings" mean the chapters, the headings and the subheadings (two, four and six digit codes respectively) used in the nomenclature which makes up the Harmonized System or HS;
- (b) "CIF price" means the price paid to the exporter for the product when the goods pass the ship's rail at the port of importation. The exporter pays the costs and freight necessary to deliver the goods to the named port of destination;
- (c) "classification" refers to the classification of a product or material under a particular subheading of the HS at 6 digit level and of the respective national tariff schedules of the Signatory Parties at the 8 digit level.
- (d) "customs value" means the value as determined in accordance with the Article VII and the Agreement on Implementation of Article VII of GATT 1994 (WTO Agreement on Customs Valuation);
- (e) "FOB price" means the price paid to the exporter for the product when the goods pass the ship's rail at the named port of shipment, thereafter, the importer assumes all the costs including the necessary expenses to the shipment;
- (f) "goods" means both materials and products
- (g) "Harmonized System" means the nomenclature which makes up the Harmonized Commodity Description and Coding System including the

¹ The present list of definitions is not exhaustive. New definitions will be included as and when the need arises.



chapters and the corresponding number codes, section notes and chapter notes, as well as the General Rules for their interpretation;

(h) "manufacture" means any kind of working or processing including assembly or specific operations;

(i) "material" means raw materials, ingredients, parts, components, subassembly and/or goods that are physically incorporated into another good or are subject to a process in the production of another good;

(j) "product" means the product being manufactured, even if it is intended for later use in another manufacturing operation;

(k) The "territory of India" means the territory of the Republic of India including its territorial waters and the air space above its territorial waters and the other maritime zones including the Exclusive Economic Zone and Continental Shelf over which Republic of India has sovereignty, sovereign rights or exclusive jurisdiction in accordance with its laws in force, the 1982 United Nations Convention on the Law of the Sea and international law.

The "territory" of the Member States of MERCOSUR means the respective territories of the Member States of MERCOSUR, including their respective territorial seas and the air space above, and other maritime zones, including the Exclusive Economic Zones and Continental Shelves over which they respectively have sovereignty, sovereign rights or exclusive jurisdiction in accordance with their respective laws in force, the 1982 United Nations Convention on the Law of the Sea and international law.

(l) "value of originating materials" means the value of such materials on the basis of FOB value.

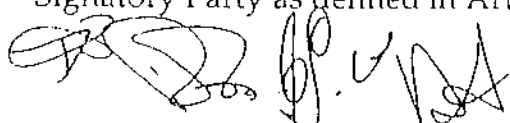
SECTION II

CRITERIA FOR ORIGINATING GOODS

Article 2. General requirements

1. For the purpose of implementing this Agreement, the following goods shall be considered as originating from a Signatory Party:

(a) The goods wholly produced or obtained in the territory of the Signatory Party as defined in Article 4 of this Annex;



(b) The goods not wholly produced in the territory of the Signatory Party, provided that the said products are eligible under Article 3 or Article 5 read with Article 6 of this Annex

2. The provisions of paragraph 1 above excludes used or second hand goods.

Article 3 *Cumulation of origin*

Goods originating in any of the Signatory Party when used as an input for a finished product in another Signatory Party, shall be considered originating in the latter.

Article 4 *Wholly produced or obtained products*

The following shall be considered as wholly produced or obtained in the territory of any of the Signatory Party:

(a) mineral products extracted from the soil or subsoil of any of the Signatory Parties, including its territorial seas, continental shelf or exclusive economic zone;

(b) plants² and plant products grown, harvested, picked or gathered there including in its territorial seas, continental shelf or exclusive economic zone;

(c) live animals³ born and raised there, including by aquaculture;

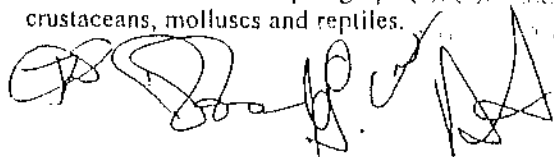
(d) products from live animals³ as in (c) above;

(e) animals³ and products thereof obtained by hunting, trapping, collecting, fishing and capturing there; including in its territorial seas, continental shelf or in the exclusive economic zone;

(f) waste and scrap resulting from utilization, consuming or manufacturing operations conducted in the territory of any of the Parties, provided they are fit only for the recovery of raw materials

² Plant refers to all plant life, including forestry products, fruits, flowers, vegetables, trees, sea weeds and fungi.

³ Animals referred to in paragraph (c), (d) and (e) covers all animal life, including mammals, birds, fish, crustaceans, molluscs and reptiles.



(g) products obtained from the seabed and subsoil beyond the limits of national jurisdiction are considered to be :

- wholly obtained in the State that has exploitation rights granted by the International Seabed Authority.
- wholly obtained in the sponsoring State of a natural or juridical person that has exploitation rights, granted by the International Seabed Authority.

(h) goods produced in any of the Parties exclusively from the products specified in subparagraphs (a) to (g) above.

Article 5. Not wholly produced or obtained products:

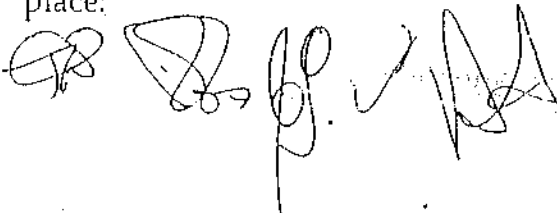
1.- For the purpose of Art. 2.I.(b), the products listed in Annex I and Annex II are considered to be originating when the CIF value of all non - originating materials from countries other than the Signatory Parties and/or of undetermined origin used in its manufacture does not exceed 40% of the FOB value of the final product and the final process of manufacture is performed within the territory of the exporting Signatory Party subject to fulfillment of the provisions of Article.6.

2.- For the purposes of determining the CIF value of non - originating materials for countries without a coastline, the first seaport or inland waterway port located in any of the other Signatory Parties, through which those non - originating materials have been imported shall be considered as port of destination.

3- The value of the non-originating-materials, parts or produce shall be:

i) The CIF value at the time of importation of the products where this can be proven; or

ii) The earliest ascertained price paid for the products of undetermined origin in the territory of the Signatory Party where the working or processing takes place:



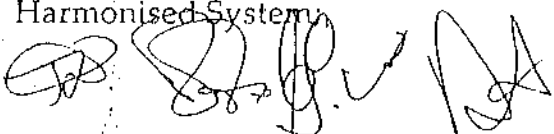
4. The formula for 60% value added is as follows:

$$\frac{\begin{array}{l} \text{Value of imported} \\ \text{Non-originating materials,} \\ \text{Parts or Produce} \end{array} + \begin{array}{l} \text{Value of} \\ \text{Undetermined Origin} \\ \text{Materials, Parts or Produce} \end{array}}{\text{FOB price}} \times 100\% < 40\%$$

Article 6. Processes or operations considered as insufficient to confer originating status

In the case of the products which have non-originating materials, the following operations, inter alia, shall be considered as insufficient working or processing to confer the status of originating products, whether or not the requirements of Art. 5 are satisfied:

- (a) preserving operations to ensure that the products remain in good condition during transport and storage such as aeration, drying, refrigeration, immersion in salty or sulphured water or in water added with other substances, extraction of damaged parts and similar operations;
- (b) Dilution in water or in any other substance which does not substantially alter the product characteristics;
- (c) Simple operations such as removal of dust, sifting, screening, sorting, classifying, grading, matching, washing, painting, husking, stoning of seeds, slicing and cutting;
- (d) simple change of package and breaking-up and assembly of packages;
- (e) simple packing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
- (f) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;
- (g) simple cleaning, including removal of oxide, oil, paint or other coverings;
- (h) simple assembly of parts to constitute a complete article or disassembly of products into parts, in accordance with General Rule 2a of the Harmonised System.



- (i) slaughter of animals;
- (j) simple mixing of products, provided the characteristics of the obtained product are not essentially different from those of the mixed products;
- (k) oil application;
- (l) a combination of two or more of the above operations.

Article 7. Accessories, spare parts and tools

1. Accessories, spare parts or tools delivered with the good that form part of the good's standard accessories, spare parts, or tools, shall be considered as originating if the good originates and shall be disregarded in determining whether all the non-originating materials used in the production of the good undergo the applicable change in tariff classification, provided that:

a) the accessories, spare parts or tools are not invoiced separately from the good, notwithstanding they are detailed separately in the invoice;

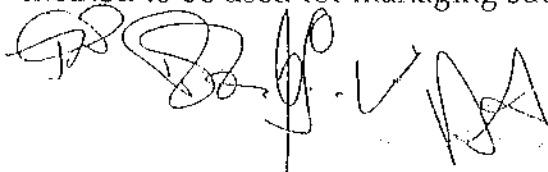
b) the quantities and value of the accessories, spare parts or tools are customary for the good.

2. Each Signatory Party shall provide that if a good is subject to a value added requirement, the value of accessories, spare parts, or tools shall be taken into account as originating or non-originating materials, as the case may be, in calculating the value added.

Article 8. Fungible Materials:

1. For the purpose of establishing if a product is originating when in its manufacture are utilized originating and non-originating fungible materials, mixed or physically combined, the origin of such materials can be determined by any of the inventory management methods applicable in the Signatory Party.

2. Where considerable cost or material difficulties arise in keeping separate stocks of originating and non-originating materials which are identical and interchangeable, the customs authorities may, at the written request of those concerned, authorise the so-called "accounting segregation" method to be used for managing such stocks.



3. This method must be able to ensure that the number of products obtained which could be considered as "originating" is the same as that which would have been obtained if there had been physical segregation of the stocks.

4. The customs authorities may grant such authorisation, subject to any conditions deemed appropriate.

5. This method is recorded and applied on the basis of the general accounting principles applicable in the country where the product was manufactured.

6. The beneficiary of this facilitation may issue or apply for proofs of origin, as the case may be, for the quantity of products which may be considered as originating. At the request of the customs authorities, the beneficiary shall provide a statement of how the quantities have been managed.

7. The customs authorities shall monitor the use made of the authorisation and may withdraw it at any time whenever the beneficiary makes improper use of the authorisation in any manner whatsoever or fails to fulfil any of the other conditions laid down in this Annex.

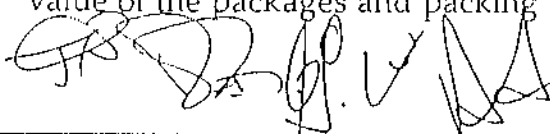
Article 9 *Sets*

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

Article 10 *Packages and packing materials for retail sale*

1. The packages and packing materials for retail sale, when classified together with the packaged product, according to General Rule 5 (b) of the Harmonised System, shall not be taken into account for considering whether all non-originating materials used in the manufacture of a product fulfil the criterion corresponding to a change of tariff classification of the said product.

2. If the product is subject to an ad valorem percentage criterion, the value of the packages and packing materials for retail sale shall be taken into



account in its origin assessment, in case they are treated as being one for customs purposes with the goods in question.

Article 11 *Containers and packing materials for transport*

The containers and packing materials exclusively used for the transport of a product shall not be taken into account for determining the origin of any good, in accordance with General Rule 5 (b) of the Harmonized System.

Article 12 *Neutral elements or indirect materials*

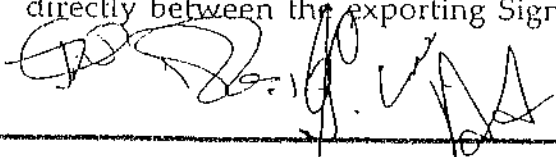
1. "Neutral elements" or "Indirect materials" means goods used in the production, testing or inspection of goods but not physically incorporated into the goods, or goods used in the maintenance of buildings or the operation of equipment associated with the production of goods, including:

- (a) energy and fuel;
- (b) plant and equipment;
- (c) tools, dies, machines and moulds;
- (d) parts and materials used in the maintenance of plant, equipment and buildings;
- (e) goods which do not enter into the final composition of the product;
- (f) gloves, glasses, footwear, clothing, safety equipment, and supplies;
- (g) equipment, devices, and supplies used for testing or inspecting the goods.

2. Each Signatory Party shall provide that an indirect material shall be considered to be an originating material without regard to where it is produced. Its value shall be the cost registered in the accounting records of the producer of the export product.

Article 13 *Direct transport, Transit and Trans-shipment*

In order for the originating goods or products to benefit from the preferential treatment provided for under the Agreement, they shall be transported directly between the exporting Signatory Party and the importing Signatory



Party. The goods or products are transported directly provided:

- 1.They are transported through the territory of one or more Signatory Parties;
- 2.They are in transit through one or more territories of third countries, with or without trans-shipment or temporary warehousing in such territories, under the surveillance of the customs authorities therein, provided that:
 - i) the transit entry is justified for geographical reasons or by consideration related exclusively to transport requirements;
 - ii) they are not intended for trade, consumption, use or employment in the country of transit;
 - iii) they do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition;

SECTION III

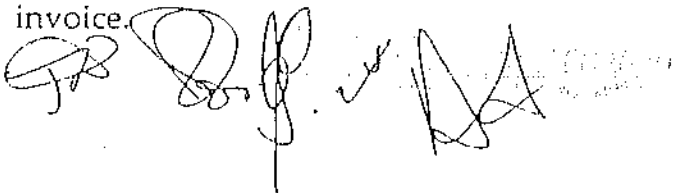
PROOF OF ORIGIN

Article 14 *Origin Certification*

1. The Origin Certificate is the document that certifies that goods fulfil the origin requirements as set out in this Annex so that they can benefit from the preferential tariff treatment as foreseen in the Agreement. The said Certificate is valid for only one importing operation concerning one or more goods and its original copy shall be included in the documentation to be presented at the customs authorities of the importing Signatory Party.

2. The issue and control of Origin Certificates shall be under the responsibility of a Government office in each Signatory Party. The Origin Certificates shall be directly issued by those authorities or through delegation as referred to in Article 16.5.

3. The Certificate mentioned in the preceding paragraph shall be issued in the form agreed upon by the Contracting Parties and upon a sworn declaration by the final producer of the goods and the respective commercial invoice.



4. In all cases, the number of the commercial invoice shall be indicated in the box reserved for this purpose in the Origin Certificate.

Article 15 *Operations carried out by third operators*

1. If the traded good is invoiced by an operator from a third country, be it a Signatory Party or not, for the issue of the Origin Certificate, the final producer or exporter of the good shall present the first commercial invoice and a corresponding sworn declaration by the final producer certifying that the goods fulfil the origin criteria of this Annex. Value addition carried out only in the Signatory Party shall be taken into account for calculation of local value addition.

2. The producer or the exporter from the country of origin shall inform in the respective Origin Certificate, in the box reserved for "observations", that the good corresponding to the said Certificate shall be invoiced by a third operator, reproducing the following data from the commercial invoice issued by this operator: name, address, country, number and date.

3. If it is not possible to comply with the requirements mentioned in Article 15.2, the Commercial Invoice attached to the Importation Request shall contain a Sworn Declaration attesting that the Commercial Invoice corresponds to the Origin Certificate. The Sworn Declaration shall convey the corresponding number and the date of issue of the origin certificate and be signed by the operator. In the event of non-compliance of this requirement, the customs authorities shall not accept the Certificate of Origin and shall not grant the tariff preferences established in this Agreement.

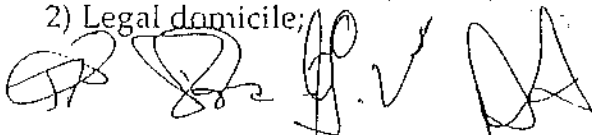
Article 16 *Issue of Origin Certificates*

1. For the issue of an Origin Certificate, the final producer or exporter of the good shall present the corresponding commercial invoice and a request containing a sworn declaration by the final producer certifying that the goods fulfil the origin criteria of this Annex, as well as the necessary documents supporting such a declaration.

The said sworn declaration shall contain at least the following data:

1) Individual's name or company name;

2) Legal domicile;

The image shows several handwritten signatures and initials in black ink. There are four distinct marks: a stylized signature on the left, a signature in the middle, and two sets of initials on the right. The signatures appear to be written in a cursive or semi-cursive style.

3) Description of the good to be exported and its tariff classification;

4) FOB value of the goods to be exported;

5) Information relating to the good to be exported, which must indicate:

i) materials, components and/or parts originating from the exporting Signatory Party;

ii) materials, components and/or parts originating from other Signatory Parties, indicating:

a) origin;

b) tariff classification;

c) CIF value, in US dollars;

d) Percentage on the total value of the final product.

iii) materials, components and/or parts non-originating from the Signatory Parties, indicating:

a) exporting country;

b) tariff classification;

c) CIF value, in US dollars;

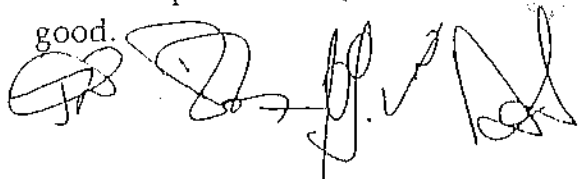
d) Percentage on the total value of the final product.

iv) description of the manufacturing process.

2. The description of the good in the sworn origin declaration, which certifies the fulfilment of the origin requirements set out in this Annex, shall correspond to the respective tariff classification, as well as with the description of the good in the commercial invoice and in the Origin Certificate.

3. If the goods are regularly exported and their manufacturing process, as well as their materials are not modified, the Sworn Declaration of the Producer may be valid for a period of up to one hundred eighty (180) days counted from the date of the issue of the certificate.

4. The Origin Certificate shall be issued not later than five (5) working days after the request presentation and it shall be valid for a period of one hundred and eighty (180) days from the date of its issue, which shall be extended, for the necessary period, if the goods are under a suspensive import regime which implies the deposit of the good and does not allow any alteration of the good.



5. The Origin Certificate shall be signed and issued by Government offices to be indicated by the Signatory Parties who may delegate the signing and issuing of origin certificates to other Government offices or to highly representative corporate bodies.

6. The origin certificates shall not be issued before the date of the issue of the commercial invoice relating to the consignment, but in the same date or within the following sixty (60) days.

7. The requesting party and the certifying offices or institutions shall keep the documents supporting the origin certificates for a period no less than five (5) years, from the date of its issue. The certifying offices or institutions shall enumerate the certificates issued by them in sequential order.

8. The certifying offices or institutions shall keep a permanent record of all issued origin certificates, which shall contain at least the certificate number, the requesting party's name and the date of its issue.

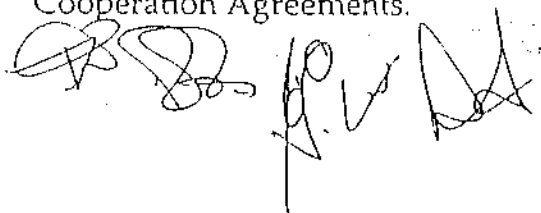
SECTION IV

CONTROL AND VERIFICATION OF ORIGIN CERTIFICATES

Article 17

1. Regardless of the presentation of an origin certificate in accordance with these Rules of Origin this Annex, the competent authorities of the importing Signatory Party may, in the cases of reasonable doubt, request to the competent authorities of the exporting Signatory Party any additional information necessary for the verification of the authenticity of a certificate, as well as the veracity of the information contained therein. This shall not preclude the application of the respective national legislation relating to breach of customs law.

2. The compliance with the request for additional information according to this Article shall only be made with reference to the registers and documents available in Government offices or in the institutions entitled to issue origin certificates. Copies of the documentation necessary for the issuing of origin certificates can be made available. This Article, however, does not restrain the interchange of information as foreseen in the Customs Cooperation Agreements.



3. The reasons for the doubts concerning the authenticity of the certificate or the veracity of its data shall be put forward in a clear and concrete way. For this purpose, the consultations thereon shall be carried out by a specific office of the competent authorities designated by each Signatory Party.

4. The competent authorities of the importing Signatory Party shall not suspend the importation operations of the goods. However, they may request a guarantee in any of its modalities, in order to preserve fiscal interests, as a pre-condition for the completion of the importation operations.

5. If a guarantee is required, its amount shall not be higher than the value of the applicable custom duties concerning the importation of the product from third countries, according to the legislation of the importing country.

Article 18

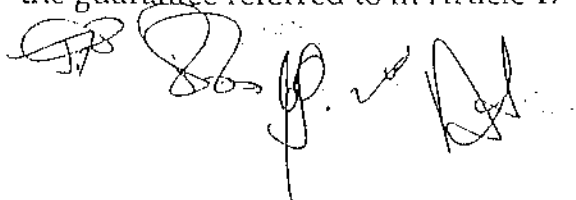
The competent authorities from the exporting Signatory Party shall provide the requested information according to Article 17 within thirty (30) days, from the date of the receipt of the request.

Article 19

The information obtained under the conditions of the present Chapter shall be confidential in character and shall be utilised with a view to clarifying the matter under investigation by the competent authorities of the importing Signatory Party as well as during the investigation and legal proceedings.

Article 20

In the cases in which the information requested under Article 17 is not provided within the deadline established in Article 18 or is insufficient to clarify any doubt concerning the origin of the good, the competent authorities of the importing Signatory Party may initiate an investigation on the matter within sixty (60) days, from the date of the request for the information. If this information is satisfactory, the said authorities shall release the importer from the guarantee referred to in Article 17 within thirty (30) days.



Article 21

1. During the period of investigation, the competent authorities of the importing Signatory Party shall not suspend new importing operations relating to identical goods from the same exporter or producer. However, they may request a guarantee, in any of its modalities, in order to preserve fiscal interests, as a pre-condition for the completion of the importation operations.
2. The guarantee amount, whenever it is requested, shall be established according to Article 17.

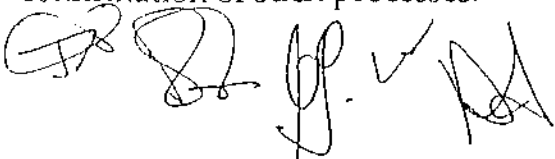
Article 22

The competent authorities of the importing Signatory Party shall immediately notify the importer and the competent authorities of the exporting Signatory Party of the initiation of the origin investigation, in accordance with the proceedings established in Article 23.

Article 23

During the investigation proceedings, the competent authorities of the importing Signatory Party may: -

- a) request, through the competent authorities of the exporting Signatory Party, new information, as well as any copy of the documentation in possession of the person who issued the origin certificate under investigation, according to Article 17, which may be deemed necessary for verifying the authenticity of the said certificates and the veracity of the information contained therein. In such a request, the number and the date of the issue of the origin certificate under investigation shall be indicated.
- b) For the purposes of verification of the contents of the local or regional added value, the producer or exporter shall facilitate the access to any information or documentation necessary for establishing the CIF value of the non-originating goods used in the production of the goods under investigation.
- c) For the purposes of verification of the characteristics of certain production processes required as specific origin requisites, the exporter or producer shall facilitate the access to any information and documentation that allow the confirmation of such processes.



d) send to the competent authorities of the exporting Signatory Party a written questionnaire to be passed on to the exporter or producer, indicating the origin certificate under investigation;

e) request to the competent authorities of the exporting Signatory Parties to facilitate visits to the premises of the producer, with a view to examining the production processes, as well as the equipment and tools utilized in the manufacture of the product under investigation.

f) The competent authorities of the exporting Signatory Party shall accompany the authorities of the importing Signatory Party in their above-mentioned visit, which may include the participation of specialists who shall act as observers. The specialists, who shall be previously selected, shall be neutral and have no interest whatsoever in the investigation. The exporting Signatory Party may deny the participation of such specialists whenever the latter represent the interests of the companies or institutions involved in the investigation.

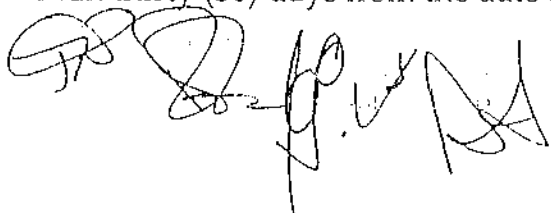
g) Once the visit is concluded, the participants shall subscribe the minutes of it, in which it shall be indicated that it was carried out according to the conditions established in this Annex. The said minutes shall contain, in addition, the following information: date and place of the carrying out of the visit; identification of the origin certificates which led to the investigation; identification of the goods under investigation; identification of the participants, including indications of the organs and institutions to which they belong; a visit report.

h) The exporting Signatory Party may request the postponement of a verification visit for a period not more than thirty (30) days.

i) carry out other actions as agreed upon between the Signatory Parties involved in the case under investigation.

Article 24

The competent authorities of the exporting Signatory Party shall provide the information and documentation requested according to Article 23 (a) and (b), within thirty (30) days from the date of the receipt of the request.

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Article 25

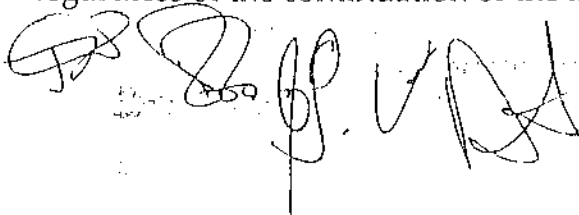
Regarding the proceedings as foreseen in Article 23, the competent authorities of the importing Signatory Party may request the competent authority of the exporting Signatory Party the participation or advice of specialists concerning the matter under investigation.

Article 26

In the cases in which the information or documentation requested to the competent authorities of the exporting Signatory Party is not produced within the stipulated deadline, or if the answer does not contain enough information or documentation for determining the authenticity or veracity of the origin certificate under investigation, or still, if the producers do not agree to the visit, the competent authorities of the importing Signatory Party may consider that the products under investigation do not fulfil the origin requirements, and may, as a result, deny preferential tariff treatment to the products mentioned in the origin certificate under investigation according to Article 20, and thus conclude such investigation.

Article 27

1. The competent authorities of the importing Signatory Party shall engage to conclude the investigation in a period not more than ninety (90) days, from the date of the receipt of the information requested in accordance with Article 23.
2. If it is considered that new investigative actions or the presentation of more information are necessary, the competent authorities of the importing Signatory Party shall communicate the fact to the competent authorities of the exporting Signatory Party. The term for the execution of such new actions or for the presentation of additional information shall be not more than ninety (90) days, from the date of the receipt of the information, according to Article 23.
3. If the investigation is not concluded within ninety (90) days from its initiation, the importer shall be released from the payment of the guarantee, regardless of the continuation of the investigation.



Article 28

1. The competent authorities of the importing Signatory Party shall inform the importers and the competent authorities of the exporting Signatory Party of the conclusion of the investigation process, as well as the reasons that led to its decision.
2. The competent authority of the importing Signatory Party shall grant the competent authority of the exporting Signatory Party the access to the investigation files, in accordance with its legislation.

Article 29

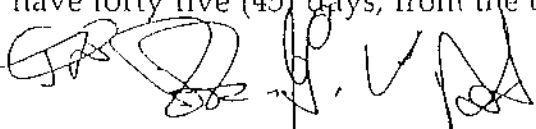
During the investigation process, occasional modifications in the manufacturing conditions made by the companies under investigation shall be taken into account.

Article 30

Once the investigation concludes for the qualification of the origin of the goods and the validity of the origin criterion contained in the origin certificate, the importer shall be released from the guarantees requested in Articles 17 and 21, within no more than thirty (30) days.

Article 31

1. Once the investigation establishes the non-qualification of the origin criterion of the goods contained in the origin certificate, the duties shall be levied as if the goods were imported from third countries and the sanctions foreseen in this Agreement and/or the ones foreseen in the legislation in force in each Signatory Party shall be applied.
2. In such a case, the competent authorities of the importing Signatory Party may deny preferential tariff treatment to new imports relating to identical good from the same producer, until it is clearly demonstrated that the manufacturing conditions were modified so as to fulfil the origin requirements of the Rules of Origin of this Annex.
3. Once the competent authorities of the exporting Signatory Party has sent the information demonstrating that the manufacturing conditions were modified, the competent authorities of the importing Signatory Party shall have forty five (45) days, from the date of the receipt of the said information,



to communicate its decision thereupon, or a maximum of ninety (90) days if a new verification visit to the producer's premises, according to Article 23 (c), is deemed necessary.

4. If the competent authorities of the importing and the exporting Signatory Parties fail to agree on the demonstration of the modification of the manufacturing conditions, they may make use of the Dispute Settlement Procedure established as per Article 29 of this Agreement.

Article 32

1. A Signatory Party may request another Signatory Party to investigate the origin of a good imported by the latter from other Signatory Party, whenever there are well-founded reasons for suspecting that its products undergo competition from imported products with preferential tariff treatment which do not fulfill the Origin Rules of this Agreement.

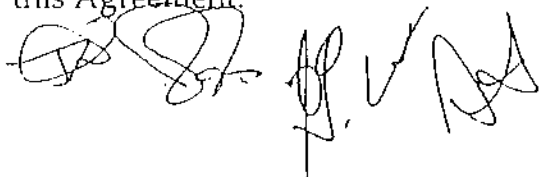
2. For such purposes, the competent authorities of the Signatory Party requesting the investigation shall bring to the notice of the authorities of the importing Signatory Party the relevant information within forty five (45) days, from the date of the request. Once this information is received, the importing Signatory Party may initiate the proceedings established in this Annex, giving notice of this to the Signatory Party that requested the initiation of the investigation.

Article 33

The proceedings of verification and control of origin as foreseen in this Annex may also apply to the goods already cleared for home consumption.

Article 34

Within sixty (60) days, from the receipt of the communication as provided in Article 28 or in the third paragraph of Article 31, in case the measure is inconsistent, the exporting Signatory Party may request for consultation to the Joint Administration Committee of this Agreement, stating the technical and legal reasons that would indicate that the measure adopted by the competent authorities of the importing Signatory Party are not consistent with this Annex; and/or request a technical advice with the aim of establishing whether the goods under investigation fulfil the origin rules of this Agreement.



Article 35

The time periods set in this Annex shall be calculated on a consecutive day basis as from the day following the fact or event which they refer to.

Free Zones

Article 36

1. The provisions set out in this Annex shall also apply to Free Zones and Special Customs Zones and the competent authorities in each Signatory Party will be responsible for the control of origin with respect to activities covered under this Article.

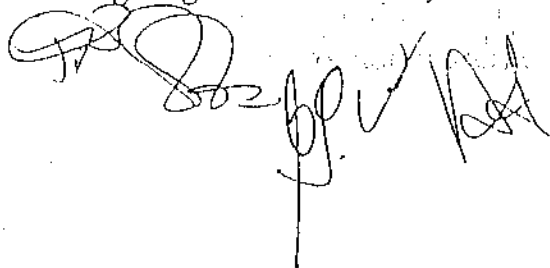
2. The MERCOSUR States and India shall take all necessary steps to ensure that products, traded under cover of a certificate of origin which in the course of transport use a Free Zone situated in their territory, are not substituted by other goods and do not undergo handling other than normal operations designed to prevent their deterioration.

3. When goods originating in the Signatory Parties are imported into a Free Zone under cover of the origin certificate mentioned in Article 16 and are fractioned, the certifying offices or institutions mentioned in Article 16:5 may issue a new origin certificate, based on the original one, for the quantity that is required, until the total quantity of goods is covered.

Review

Article 37

No later than three years after entry in to force of the Agreement, or in the event of increasing the product coverage, the Joint Committee shall review the application of this Annex and, as appropriate, propose the Parties amendments to the criteria for the determination of origin. Such review may be initiated in conjunction with negotiation to deepen or broaden the tariff preferences of the Agreement, or at any time, at the request of one of the Parties, to address specific difficulties being faced by exporters with the existing origin criteria or any customs tariff classification issue.



Appendix-I

Form Agreed upon by India and Mercosur for the origin Certificate

CERTIFICATE OF ORIGIN

1. Producer or exporter (name, address, country)		Reference No. of Certificate India-Mercosur PTA	
2. Importer (name, address, country)		Stamp, address and name of the Certifying Authority	
3. Port of shipment		4. Country of destination	
5. Commercial invoice Number _____ Date / /		6. N. ^o Order	
7. Tarrif item number		8. Description of goods	9. Gross weight or other quantity
N. ^o Order	10. Origin criterion		
11. Observations			
ORIGIN CERTIFICATION			
12. Declaration by the Producer or Exporter: The undersigned hereby declares that the mentioned goods were produced in (country) and they comply with the origin requirements specified in (Agreement). Date / /		13. Certification by Certifying Authority: It is hereby certified the authenticity of the previous declaration in accordance with the applicable legislation. (Place),	
Stamp and signature		Stamp and signature	

(back)

I. To qualify for preference products must:

- a. fall within a description of products eligible for concessions in the country of destination under this agreement.
- b. comply with India-Mercosur PTA Rules of Origin. Each Article in a consignment must qualify separately in its own right; and
- c. comply with the consignment conditions specified by the India-Mercosur PTA Rules of Origin. In general products must be consigned directly within the meaning of Rule 13 hereof from the country of exportation to the country of destination.

II. Entries to be made in Box 10

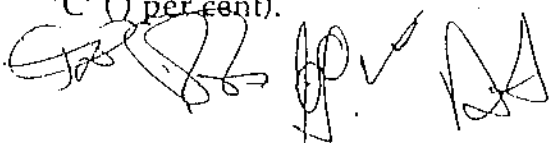
Preference products must be wholly produced or obtained in the exporting Contracting Party in accordance with Rule 4 of the India-Mercosur PTA Rules of Origin, or where not wholly produced or obtained in the exporting Contracting Party must be eligible under Rule 3 or Rule 5 of the India-Mercosur PTA Rules of Origin.

1. If products are wholly produced or obtained enter the letter 'A' in box 10.

2. Products not wholly produced or obtained; the entry in box 10 should be as follows:

- Enter letter 'B' in box 10 for products, which meet the origin criterion according to Rule 5. Entry of letter would be followed by the sum of the value of materials, parts or produce originating from non-contracting parties or undetermined origin used, expressed as a percentage of the f.o.b. value of the products; (example B() percent).

- Enter letter 'C' in box 10 for products, which meet the origin criteria according to Rule 3. Entry of letter 'C' would be followed by the sum of the aggregate content originating in the territory of the exporting Contracting Party expressed as a percentage of the f.o.b. value of the exported product: (example 'C' () percent).



Article 17.- The public notice of the initiation of a safeguard investigation shall include the following information:

- (a) the name of the petitioner;
- (b) the complete description of the imported product under investigation, which is sufficient for customs purposes, and its classification under the Harmonized System;
- (c) the deadline for the request for hearings and the venue where hearings shall be held;
- (d) the deadline for the submission of information, statements and other documents;
- (e) the address where request or other documents related to the investigation can be examined;
- (f) the name, address and telephone number of the institution which can provide further information; and
- (g) a summary of the facts upon which the initiation of the investigation was based, including data on imports that have supposedly increased in absolute or relative terms to total production or internal consumption and analysis of the domestic industry situation based on all the elements conveyed in the request.

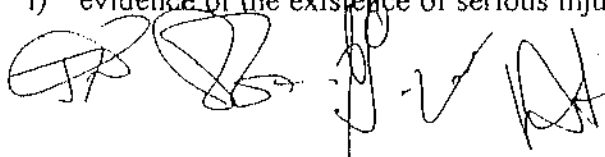
Article 18.- The public notice of the decision to apply a provisional or definitive safeguard measure shall include the following information:

- (a) the complete description of the product subject to the safeguard measure, which is sufficient for customs purposes, and its tariff classification under the Harmonised System;
- (b) information and evidence leading to the decision, such as:
 - i) the increasing or increased preferential imports;
 - ii) the situation of the domestic industry;
 - iii) the fact that the increasing preferential imports are causing or threatening to cause serious injury to the domestic industry; and
 - iv) in the case of preliminary determination, the existence of critical circumstances;
- (c) other reasoned findings and conclusions on all relevant issues of fact and law;
- (d) description of the measure to be adopted;
- (e) the date of entry into force of the measure and its duration.

Article 19.- A Party proposing to apply a definitive safeguard measure shall provide adequate opportunity for prior consultations to the exporting Party. With this objective, the Party shall notify the other Party its decision to apply a definitive safeguard measure. The notification shall be provided no less than thirty (30) days before the measure comes into force.

The notifications shall include:

- i) evidence of the existence of serious injury or threat of serious injury to



ANNEX IV

SAFEGUARD MEASURES

Global Safeguards

Article 1.- The Parties shall retain their rights and obligations to apply safeguard measures consistent with Article XIX of GATT 1994 and the WTO Agreement on Safeguards

Definitions

Article 2.- For the purposes of this Annex:

1. "serious injury" shall be understood to mean the significant overall impairment in the position of a domestic industry;
2. "threat of serious injury" shall be understood to mean the serious injury that is clearly imminent, based on facts and not merely on allegation, conjecture or remote possibility; and
3. "domestic industry" shall be understood to mean the producers as a whole of the like or directly competitive products, operating in the territory of the Party, or those whose collective output of the like or directly competitive products constitutes a major proportion of the total production of such products. In the latter case, the investigating authority shall provide the reasons why the domestic industry cannot be understood to mean the producers as a whole of the like or directly competitive products operating in the territory of the Party.

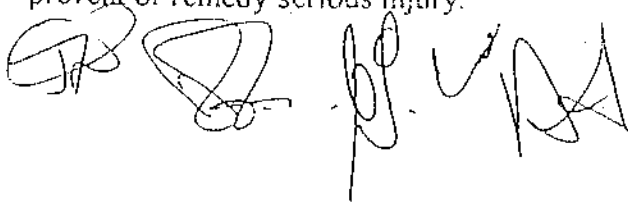
Preferential Safeguards

Conditions for Application of Preferential Safeguard Measures

Article 3.-

1. Without prejudice to the rights and obligations referred to in Article 1, the Parties can apply preferential safeguard measures under the conditions established in this Annex, when the imports of a product under preferential terms have increased in such quantities, absolute or relative to domestic production of the importing Party, and under such conditions as to cause or threaten to cause serious injury to the importing Party's domestic industry

2. The safeguard measure shall be applied only to the extent necessary to prevent or remedy serious injury.



3. Preferential safeguard measures shall be applied following an investigation by the competent authorities of the importing Party under the procedures established in this Annex.

Article 4. - Preferential Safeguard measures may not be applied in the first year after the tariff preferences negotiated under the Preferential Trade Agreement (hereinafter referred to as 'the Agreement') come into force.

Article 5.-

1. MERCOSUL may apply preferential safeguard measures:

- (a) as a sole entity, as far as all requirements to determine the existence of serious injury or threat thereof is being caused by the imports of a product under preferential terms have been fulfilled on the basis of conditions applied to MERCOSUL as a whole; or
- (b) on behalf of one of its States Parties, in which case the requirements for the determination of the existence of serious injury or threat thereof, being caused by the imports under preferential terms, shall be based on the conditions prevailing in the relevant State Party of the customs union and the measure shall be limited to that State Party.

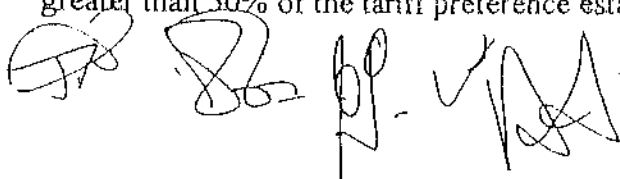
2. India may apply preferential safeguard measures only to the imports from Signatory Party or Contracting Party where such serious injury or threat thereof is being caused by the imports of a product under preferential terms.

Article 6.- The preferential safeguard measures adopted under this Annex shall consist of temporary suspension or reduction of the tariff preferences established in this Agreement for the product subject to the measure.

Article 7.-

1. The Party that applies a preferential safeguard measure should establish an import quota for the product concerned under the agreed preference established in this Agreement. The import quota shall not be less than the average imports of the product concerned in the thirty-six (36) month period previous to the period for which serious injury was determined. A different level of quota may be applied if it is duly justified.

2. In case a quota is not established, the preferential safeguard measure shall consist only of a reduction of the preference which shall not be greater than 50% of the tariff preference established in this Agreement.



Article 8.- The total period of application of a preferential safeguard measure including the period of application of any provisional measure shall not exceed two (2) years.

Article 9- No preferential safeguard shall be applied again to the import of a product under preferential treatment which has been subject to such a measure unless the period of non-application is at least of one (1) year from the end of the previous measure.

Article 10.-

1. The investigation to determine serious injury or threat thereof as a result of increased preferential imports of a certain product shall take into consideration all relevant factors of an objective and quantifiable nature having a bearing on the situation of the domestic industry affected, particularly the following:

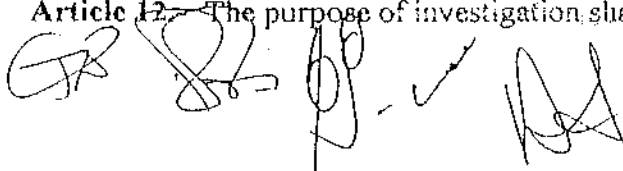
- (a) the amount and rate of the increase in preferential imports of the product concerned in absolute and relative terms;
- (b) the share of the domestic market taken by increased preferential imports;
- (c) the price of the preferential imports;
- (d) the consequent impact on the domestic industry of the like or directly competitive products, based on factors, including: production, productivity, capacity utilisation, stock, sales, market share, prices, profits and losses, return on investment, cash flow and employment;
- (e) the relationship between the preferential and non-preferential imports, as well as between the increase of one and the other; and
- (f) other factors that, although not related to the evolution of preferential imports, have a causal relationship with the injury or the threat of injury to the domestic industry in question.

2. When factors other than increased preferential imports are causing injury to the domestic industry at the same time, such injury shall not be attributed to the increased preferential imports.

Investigation and Transparency Procedures

Article 11.- A Party may initiate a safeguard investigation at the request of the domestic producers in the importing Party of the like or directly competitive products.

Article 12- The purpose of investigation shall be:

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- (a) to assess the quantities and conditions under which the product is being imported;
- (b) to determine the existence of serious injury or threat of serious injury to the domestic industry; and
- (c) to determine the causal link between the increased preferential imports of the product concerned and the serious injury or threat thereof to the domestic industry, in compliance with Article 10 of this Annex.

Article 13.- The period between the date of publication of the decision to initiate the investigation and the publication of the final decision shall not exceed one (1) year.

Article 14.- Each Party shall establish or maintain transparent, effective and equitable procedures for the impartial and reasonable application of safeguard measures, in compliance with the provisions established in this Annex.

Provisional Safeguards

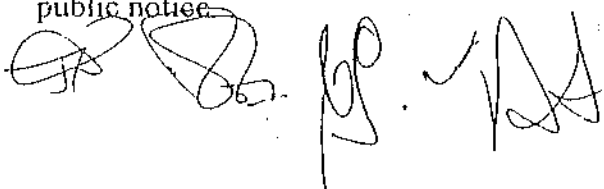
Article 15.- In critical circumstances where delay may cause damage which would be difficult to repair, a Party, after due notification, may take a provisional safeguard measure pursuant to a preliminary determination that there is clear evidence that increased preferential imports have caused or are threatening to cause serious injury. The duration of the provisional measure shall not exceed two hundred (200) days, during which period the requirements of this Annex shall be met. If final determination concludes that there was no serious injury or threat thereof to domestic industry caused by imports under preferential terms, the increased tariff, if collected under provisional measures, shall be promptly refunded.

Public Notice

Article 16.- The importing Party shall notify the exporting Party of:

- (a) the decision to initiate the investigation under this Annex;
- (b) the decision to apply provisional safeguard measure;
- (c) the decision to apply or not definitive safeguard measure.

The decision shall be notified by the Party within a period of seven (7) days from the publication and shall be accompanied by the appropriate public notice.



Article 17.- The public notice of the initiation of a safeguard investigation shall include the following information:

- (a) the name of the petitioner;
- (b) the complete description of the imported product under investigation, which is sufficient for customs purposes, and its classification under the Harmonized System;
- (c) the deadline for the request for hearings and the venue where hearings shall be held;
- (d) the deadline for the submission of information, statements and other documents;
- (e) the address where request or other documents related to the investigation can be examined;
- (f) the name, address and telephone number of the institution which can provide further information; and
- (g) a summary of the facts upon which the initiation of the investigation was based, including data on imports that have supposedly increased in absolute or relative terms to total production or internal consumption and analysis of the domestic industry situation based on all the elements conveyed in the request.

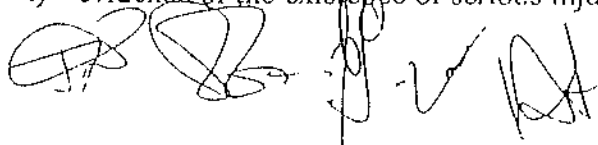
Article 18.- The public notice of the decision to apply a provisional or definitive safeguard measure shall include the following information:

- (a) the complete description of the product subject to the safeguard measure, which is sufficient for customs purposes, and its tariff classification under the Harmonised System;
- (b) information and evidence leading to the decision, such as:
 - i) the increasing or increased preferential imports;
 - ii) the situation of the domestic industry;
 - iii) the fact that the increasing preferential imports are causing or threatening to cause serious injury to the domestic industry; and
 - iv) in the case of preliminary determination, the existence of critical circumstances;
- (c) other reasoned findings and conclusions on all relevant issues of fact and law;
- (d) description of the measure to be adopted;
- (e) the date of entry into force of the measure and its duration.

Article 19.- A Party proposing to apply a definitive safeguard measure shall provide adequate opportunity for prior consultations to the exporting Party. With this objective, the Party shall notify the other Party its decision to apply a definitive safeguard measure. The notification shall be provided no less than thirty (30) days before the measure comes into force.

The notifications shall include:

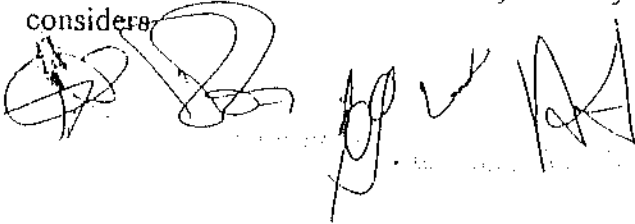
- i) evidence of the existence of serious injury or threat of serious injury to



the domestic industry caused by the increased preferential imports;

- i) complete description of the imported product subject to the measure, which is sufficient for customs purposes, and its classification under the Harmonized System;
- ii) description of the measure proposed;
- iii) the date of entry into force of the measure and its duration;
- iv) the period for consultations; and
- v) the criteria employed or any objective information proving that the conditions established in this Annex for the application of a measure have been met.

Article 20.- At any stage of the investigation, the notified Party may request consultations with the other Party or any additional information that it considers

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ANNEX V
DISPUTE SETTLEMENT PROCEDURE

CHAPTER I

SCOPE

Article 1

For the purposes of this Dispute Settlement Procedure, the "Contracting Parties" are MERCOSUR and the Republic of India. The "Signatory Parties" are the Argentine Republic, the Federative Republic of Brazil, the Republic of Paraguay and the Oriental Republic of Uruguay, Member States of MERCOSUR, and the Republic of India.

Article 2

1. Any dispute that may arise in connection with the interpretation, application or non-compliance with the provisions of the Preferential Trade Agreement between MERCOSUR and the Republic of India, hereinafter referred to as "the Agreement", as well as its Additional Protocols and related instruments, shall be submitted to this Dispute Settlement Procedure established in this Annex.

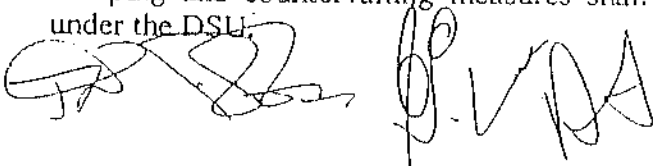
2. Any dispute regarding matters arising under the Agreement that are regulated also in the agreements negotiated at the World Trade Organisation (hereinafter referred to as "the WTO") may be settled in accordance with this Annex or with the Understanding on Rules and Procedures Governing the Settlement of Disputes of the WTO (hereinafter referred to as "the DSU").

3. After the end of direct negotiations, as established in Chapter II of this Annex, the Parties shall endeavour to reach an agreement on a single forum. If no agreement is reached on the forum, the complaining Party shall select the forum of dispute.

4. Once a dispute settlement procedure has been initiated under this Annex or under the WTO covered agreements, the forum selected shall exclude the other for the same subject matter of the dispute. However, this provision may be reviewed within 5 years of implementation of the Agreement.

5. For the purpose of paragraph 4, a dispute settlement procedure shall be considered initiated under the WTO whenever the complaining Party issues the request for consultations under Article 4 of the DSU. Likewise, a dispute settlement procedure shall be considered initiated under this Annex whenever a meeting of the Joint Administration Committee, as referred to in Article 23 of the Agreement (hereinafter referred to as "the Joint Committee"), has been requested under Article 7.1 of this Annex.

6. Notwithstanding the above, disputes that may arise in connection with anti-dumping and countervailing measures shall exclusively be submitted to the WTO under the DSU.



Article 3

For the purposes of this Annex, both Contracting Parties i.e. MERCOSUL and the Republic of India as well as one or more Member States of MERCOSUL and the Republic of India, may be parties to a dispute and shall hereinafter be referred as "Party" or "Parties".

CHAPTER II

DIRECT NEGOTIATIONS

Article 4

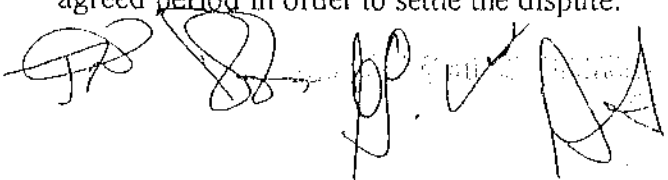
1. Parties shall make all reasonable efforts to settle the disputes referred to in Article 2.1 by direct negotiations with a view to reaching a mutually satisfactory solution.
2. Direct negotiations shall be conducted, in the case of MERCOSUL, by the Pro Tempore Presidency or the National Coordinators of the Common Market Group, as the case may be, and, in the case of the Republic of India, by the Secretary of the Department of Commerce or his representative.

Article 5

The request for direct negotiations shall be submitted to the other Party in writing and shall give the reasons for the request and a brief summary of the legal basis of the dispute. All requests for direct negotiations shall be notified to the other Signatory Parties, to the Pro Tempore Presidency of MERCOSUL and to the Secretary of the Department of Commerce or his representative.

Article 6

1. The Party to which the request is made shall reply within ten (10) days after the date of its receipt.
2. The Parties shall exchange information in order to facilitate the direct negotiations. Direct negotiations shall be confidential.
3. Direct negotiations shall last no more than thirty (30) days after the date of receipt of the request unless the Parties concerned extend the consultations for a mutually agreed period in order to settle the dispute.



**CHAPTER III
INTERVENTION OF THE JOINT ADMINISTRATION COMMITTEE**

Article 7

1. If direct negotiations fail to settle the dispute within the period established in Article 6, the complaining Party, or both Parties by mutual consent, may request in writing, for convening a meeting of the Joint Committee, with the specific purpose of dealing with the case.
2. The request shall state the facts and the legal basis of the dispute, indicating the applicable rules of the Agreement, Additional Protocols and related instruments.
3. The complaining Party or Parties shall notify immediately the request mentioned in paragraph 1 of this Article to all the Signatory Parties.

Article 8

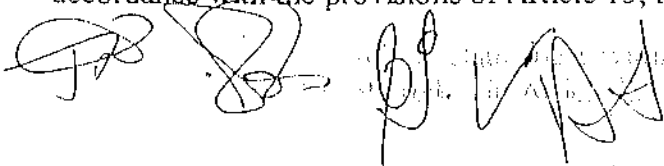
1. The Joint Committee shall meet within forty-five (45) days after the date of receipt of the request referred to in Article 7.
2. For the purpose of determining the period mentioned in the previous paragraph, the Signatory Parties shall notify immediately the receipt of the request.

Article 9

The Joint Committee may, by consensus, examine jointly two or more complaints only when, by their nature, they are related.

Article 10

1. The Joint Committee shall examine the dispute and give the opportunity to the Parties to present their positions and, if necessary, to give additional information in order to reach a mutually satisfactory solution.
2. The Joint Committee shall issue its recommendations within thirty (30) days of the date of its first meeting, unless a Group of Experts (hereinafter referred to as "the Group") is established in accordance with paragraph 3.
3. When the Joint Committee deems it appropriate to seek the advice of experts, or when there is a request by any of the Parties to do so, it shall, within the period set forth in the previous paragraph, notify the decision to establish a Group of Experts, in accordance with the provisions of Article 13, to the Parties.



Article 11

1. For the purpose of establishing the Group, each Signatory Party, within thirty (30) days after the entry into force of the Agreement, shall provide the Joint Committee with a list of ten (10) experts, four (4) of them being nationals of countries other than the Signatory Parties.

2. The list shall comprise experts having experience in law, international trade, other matters covered by the Agreement or the resolution of disputes arising under international trade agreements. The experts shall be chosen strictly on basis of objectivity, reliability, sound judgment and independence.

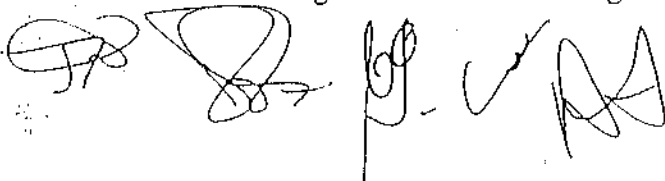
Article 12

The Joint Committee shall establish a list of experts based on the names provided by the Signatory Parties.

Article 13

The Group shall consist of three (3) members as per the following :

- a) Within fifteen (15) days of the notification referred to in paragraph 3 of Article 10, each Party shall choose one expert from the list referred to in Article 12.
- b) Within the same period of time the Parties shall indicate, by consensus, from among those in the list, a third expert, who shall not be a national of any of the Signatory Parties. This third expert shall preside the Group, unless the Parties to the dispute decide otherwise.
- c) If the nominations referred to in sub-paragraph (a) are not made within the specified period of time, they shall be made by lot, within ten (10) days thereafter, by the Joint Committee, at the request of any Party, from the list referred to in Article 12.
- d) If the nomination referred to in sub-paragraph (b) is not made within the specified period of time, it shall be made by lot, within ten (10) days thereafter, by the Joint Committee, at the request of any Party, from the list of experts referred to in Article 12. This third expert shall not be a national of any of the Signatory Parties.
- e) Nominations referred to in the above sub-paragraphs shall be notified to the Contracting Parties and all the Signatory Parties.



Article 14

1. A person who has acted in any capacity in previous phases of the dispute or who does not have the necessary independence with regard to the positions of the Parties may not act as an expert.
2. In the discharge of their functions, the experts shall act with independence and impartiality.

Article 15

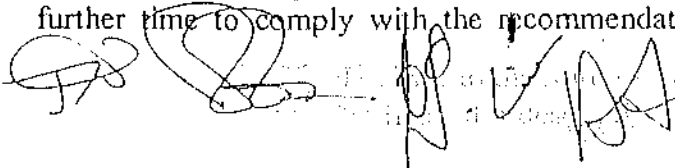
1. The expenses resulting from the work of the Group shall be borne in equal parts by the Parties.
 2. Such expenses shall include the fees of the experts, travel expenses and other costs incurred in connection with their work.
- 3 The Joint Committee shall establish and fix the remuneration, fees and allowances for the experts, as well as approve related expenses.

Article 16

1. Within thirty (30) days of receipt of the notification of the nomination of all the experts, the Group shall deliver to the Joint Committee its joint report. The report shall consist of two parts. The first, of a descriptive nature, shall contain an outline of the case, the arguments presented by the Parties and may reflect the opinions of individual experts, which shall remain anonymous. The second shall contain the findings and conclusions of the Group.
2. The Group's report shall be delivered to the Joint Committee in accordance with the conditions set forth in paragraph 1. The Joint Committee shall issue its recommendations within thirty (30) days after the receipt of the report. Where the Group concludes that a measure is inconsistent with a provision of the Agreement, the Joint Committee shall recommend that the Party concerned bring the measure into conformity with that provision.
3. The Joint Committee shall ensure that its recommendations are complied with.

Article 17

1. The concerned Party shall comply with the recommendations of the Joint Committee within 90 (ninety) days, unless some other period of time is agreed upon by the Parties to the dispute, and accepted by the Joint Committee.
2. If, at any time up to thirty (30) days prior to the deadline for implementation determined under paragraph 1, the concerned Party considers that it will require further time to comply with the recommendations of the Joint Committee, it may



inform the complaining Party of the extra period that it requires, and simultaneously will present an offer of compensation for this additional period until it comes into compliance with the recommendations. The Parties may agree to extend the deadline for implementation determined under paragraph 1, any time within twenty (20) days after the expiry of the deadline for implementation determined previously.

Article 18

1. Should the concerned Party fail to comply with the recommendations of the Joint Committee, or fail to agree or having agreed, fail to comply with the agreed compensation under Article 17, the Joint Committee shall authorize the complaining Party, upon request, to temporarily withdraw concessions having trade effects equivalent to those of the measure in dispute.
2. The complaining Party should first seek to suspend, whenever possible, concessions with respect to the same sector(s)¹ affected by the measure in dispute. If this is not practicable or effective, the complaining Party may suspend concessions in other sector(s), indicating the reasons to do so.
3. If the concerned Party, by written communication to the Joint Committee, objects to the level of, or the sector affected by, the suspension referred to in paragraph 1, the Joint Committee, within thirty (30) days, shall refer the matter to the original Group, which shall submit its report to the Joint Committee within thirty (30) days. Where any of the original member(s) of the Group are not available, such members shall be appointed as per the procedure laid down in this Chapter.

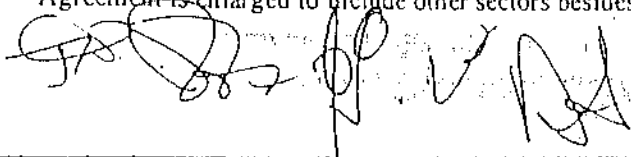
CHAPTER IV

GENERAL PROVISIONS

Article 19

1. All communications to the Joint Committee referred to in this Annex shall be transmitted to the Contracting Parties and to all the Signatory Parties.
2. All communications between MERCOSUL or its Member States and the Republic of India shall be transmitted, in the case of MERCOSUL, to the Pro Tempore Presidency or to the National Co-ordinators of the Common Market Group, as the case may be, and in the case of the Republic of India, to the Secretary of Department of Commerce or his representative.

¹ The Contracting Parties agree that for the purposes of this Article, "sector" will have the same meaning as in provisions of Article 22.3 (f) of the DSU. The Contracting Parties further agree that suspension of concessions in other sector(s) would become relevant only if, in future, the scope of the Agreement is enlarged to include other sectors besides goods.



Article 20

The periods referred to in this Annex are expressed in consecutive days, including non-working days, and shall be calculated as from the day immediately following the relevant act or fact. If the period begins or ends on a non-working day, the period shall be deemed to be starting or expiring on the following working day of the Party concerned.

Article 21

Documents and acts related to the proceedings established in this Annex shall be confidential.

Article 22

1. At any time during the proceeding the complaining Party may abandon its claim or the Parties may reach an agreement. In either case the dispute shall be closed. The Joint Committee shall be notified of this in order to take any necessary measures.

2. A Party is deemed to have abandoned its claim under this Annex, if it does not pursue its claim under Article 7 within twelve (12) months after conclusion of the negotiations period under Article 6.3.

