Free Trade Agreement between the Eurasian Economic Union and its Member States, of the one part, and the Islamic Republic of Iran, of the other part

PREAMBLE

The Eurasian Economic Union (hereinafter referred to as "the EAEU") and the Republic of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation (hereinafter referred to as "the EAEU Member States"), of the one part, and the Islamic Republic of Iran (hereinafter referred to as "I.R. Iran"), of the other part (hereinafter referred to as "the Parties"):

RECOGNIZING the importance of enhancing longstanding friendship and traditional multi-faceted cooperation between the Parties;
DESIRING to create favourable environment and conditions for the development of mutual trade and economic relations and for the promotion of economic cooperation between the Parties in the areas of mutual interest;
BUILDING UPON preferential trade relations previously established as per the Interim Agreement leading to formation of a free trade area between the Eurasian Economic Union and its Member States, of the one part, and the Islamic Republic of Iran, of the other part, as of the 17th of May 2018;
ACKNOWLEDGING the need to further promote trade and facilitate economic cooperation and greater business opportunities provided by this Agreement;
EMPHASIZING the need for further promotion of mutual relations between the Parties on the basis of mutual trust, transparency and trade facilitation;
EXPRESSING their support to the earliest accession to the World Trade Organization and recognizing that World Trade Organization's membership of the EAEU and its Member State (that is not yet World Trade Organization's member) and of I.R. Iran will create favourable conditions for the deepening of their integration into the multilateral trading system and will enhance cooperation between the Parties;

HAVE AGREED as follows:

CHAPTER 1. INSTITUTIONAL AND GENERAL PROVISIONS

Article 1.1
General Definitions

For the purposes of this Agreement, unless otherwise specified:

(a) **"customs authorities"** means the customs authority or customs authorities of the EAEU Member States or I.R. Iran;

(b) **"days"** means calendar days including weekends and holidays;

(c) **"declarant"** means a person who declares goods for customs purposes or on whose behalf the goods are declared;

(d) **"Eurasian Economic Commission"** means the permanent regulatory body of the EAEU in accordance with the Treaty on the Eurasian Economic Union of 29 May 2014 (hereinafter referred to as "the Treaty on the EAEU");

(e) **"Harmonized System"** or **"HS"** means the Harmonized Commodity Description and Coding System established by the International Convention on the Harmonized Commodity Description and Coding System, done on 14 June 1983 as adopted and implemented by the Parties in their respective laws and regulations;

(f) **"laws and regulations"** includes any law or any other legal normative act;

(g) **"measure"** means any measure by a Party, whether in the form of a law, regulation, rule, procedure, decision, administrative action, practice or any other form;

(h) **"originating"** means qualifying under the rules of origin set out in Chapter 6 of this Agreement;

(i) **"Parties"** means the EAEU Member States and the EAEU acting jointly or individually within their respective areas of competence as derived from the Treaty on the EAEU, of the one part, and I.R. Iran, of the other part;

(j) **"Party"** means either the EAEU Member States and the EAEU acting jointly or individually within their respective areas of competence as derived from the Treaty on the EAEU or I.R. of Iran;

(k) **"person"** means a natural person or a juridical person.

Article 1.2
Liberalization of Trade and Establishment of a Free Trade Area

The Parties hereby establish a Free Trade Area consistent with international rules, standards and practices[1].

Article 1.3
Objectives

The objectives of this Agreement are the following:

(a) to liberalize and facilitate trade in goods between the Parties through, *inter alia,* reduction or elimination of tariff and non-tariff barriers in accordance with the provisions of this Agreement;

(b) to support economic and trade cooperation between the Parties;

(c) to encourage expansion and diversification of trade between the Parties;

(d) to enhance closer cooperation in the fields agreed in this Agreement and facilitate communications between the Parties.

Article 1.4
Relation to Other Agreements

1. This Agreement shall be applied without prejudice to rights and obligations of the Parties under international agreements to which the Parties are party.

2. Without prejudice to Article 6.7 of this Agreement, the provisions of this Agreement shall neither apply between the EAEU Member States or between the EAEU Member States and the EAEU, nor shall they grant to I.R. Iran benefits that the EAEU Member States grant exclusively to each other.

Article 1.5
Joint Committee

1. The Parties hereby establish a Joint Committee comprised of representatives of each Party, which shall be co-chaired by two representatives – one from the EAEU and its Member States and the other

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[1] For the Parties to this Agreement that are Members of the World Trade Organization "international rules, standards and practices" shall mean the respective provisions of the WTO Agreement, in particular Article XXIV of the General Agreement on Tariffs and Trade 1994.

from I.R. Iran. The Parties shall be represented by senior officials designated by them for this purpose.

2. The Joint Committee shall have the following functions:

(a) considering any matter related to the operation and application of this Agreement;

(b) supervising the work of all subcommittees, working groups and other bodies established under this Agreement or by discretion of the Joint Committee in accordance with paragraph 3 of this Article;

(c) considering ways to further enhance trade relations between the Parties;

(d) considering and recommending to the Parties any amendment to this Agreement; and

(e) taking other actions on any matter covered by this Agreement as the Parties may agree.

3. In the fulfilment of its functions, the Joint Committee may establish subsidiary bodies, including ad hoc bodies, and assign them with tasks on specific matters. The Joint Committee may, if necessary, decide to seek advice of third persons or groups on matters of its competence.

4. Unless the Parties agree otherwise, the Joint Committee shall convene:

(a) in regular session every year, with such sessions to be held alternately in the territories of the Parties; and

(b) in special session within 30 days of the request of a Party, with such sessions to be held in the territory of the other Party or at such location as the Parties may agree.

5. All decisions of the Joint Committee and its subsidiary bodies established under this Agreement shall be taken by consensus of the Parties.

6. All notifications, requests and other written submissions to the Parties or to the Joint Committee shall be made in English or in Farsi or in Russian with their respective translations into English unless otherwise provided in this Agreement.

Article 1.6
Business Dialogue Platform

1. The Parties shall establish a business dialogue platform, aimed at fostering cooperation between the business communities of the Parties to be conducted between representatives of such business communities of the Parties.

2. The business dialogue platform shall have a right to bring proposals to the Joint Committee on issues concerning the application of this Agreement, including proposals on development of trade and economic cooperation

between the Parties, as well as on other issues related to mutual trade between the Parties.

3. The business dialogue platform will organize, as necessary, seminars, business exhibitions, fairs, round tables and other joint events aimed at development of mutual trade and economic relations between the Parties.

Article 1.7
Contact Points

1. Each Party shall designate a contact point or contact points to facilitate communications between the Parties on any matter covered by this Agreement and shall notify the Joint Committee of its contact point or contact points.

2. Upon request of a Party, the other Party's contact point or contact points shall identify the office or official responsible for the matter and assist, as necessary, in facilitating communications between the Parties.

Article 1.8
Confidential Information

1. Each Party shall, in accordance with its respective laws and regulations, maintain the confidentiality of information designated as confidential by the providing Party pursuant to this Agreement.

2. Nothing in this Agreement shall require a Party to provide confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice legitimate commercial interests of particular enterprises, public or private.

Article 1.9
General Exceptions

Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade, nothing in this Agreement shall be construed to prevent the adoption or enforcement by any Party of measures:

(a) necessary to protect public morals;

(b) necessary to protect human, animal or plant life or health;

(c) relating to the importations or exportations of gold or silver;

(d) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement, including those relating to customs enforcement, the enforcement of enterprises

operated under Article 2.11 of this Agreement, the protection of patents, trademarks and copyrights, and the prevention of deceptive practices;

(e) relating to the products of prison labour;

(f) imposed for the protection of national treasures of artistic, historic or archaeological value;

(g) relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption;

(h) involving restrictions on exports of domestic materials necessary to ensure essential quantities of such materials to a domestic processing industry during periods when the domestic price of such materials is held below the world price as part of a governmental stabilization plan; provided that such restrictions shall not operate to increase the exports of or the protection afforded to such domestic industry, and shall not depart from the provisions of this Agreement or relating to non-discrimination;

(i) essential to the acquisition or distribution of products in general or local short supply; provided that any such measures shall be consistent with the principle that the Parties are entitled to an equitable share of the international supply of such products, and that any such measures, which are inconsistent with the other provisions of this Agreement shall be discontinued as soon as the conditions giving rise to them have ceased to exist.

Article 1.10
Security Exceptions

Nothing in this Agreement shall be construed:

(a) to require any Party to furnish any information the disclosure of which it considers contrary to its essential security interests; or

(b) to prevent any Party from taking any action which it considers necessary for the protection of its essential security interests:

i. relating to fissionable materials or the materials from which they are derived;

ii. relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;

iii. taken in time of war or other emergency in international relations; or

(c) to prevent a Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

Article 1.11
Measures to Safeguard Balance of Payments[2]

1. Notwithstanding the provisions of paragraph 1 of Article 2.7 of this Agreement, the Party in order to safeguard its external financial position and its balance of payments may restrict the quantity or value of merchandise permitted to be imported, subject to the provisions of the following paragraphs of this Article. Import restrictions instituted, maintained or intensified by a Party under this Article shall not exceed those necessary:

i. to forestall threat of or to stop, a serious decline in its monetary reserves, or

ii. in the case of a Party with the threat of inadequate or very low monetary reserves, to achieve a reasonable rate of increase in its reserves.

Due regard shall be paid in either case to any special factors which may be affecting the reserves of such Party or its need for reserves, including, where special external credits or other resources are available to it, the need to provide for the appropriate use of such credits or resources.

The Party concerned shall inform the other Party of its intention to introduce such measures to safeguard its external financial position and its balance of payments, and on the time schedule of their application and removal.

2. The Parties applying restrictions under paragraph 1 of this Article shall progressively relax them as such conditions improve, maintaining them only to the extent that the conditions specified in that paragraph still justify their application. They shall eliminate the restrictions when conditions would no longer justify their institution or maintenance under that paragraph.

3. (a) The Parties undertake, in carrying out their domestic policies, to pay due regard to the need for maintaining or restoring equilibrium in their balance of payments on a sound and lasting basis and to the desirability of avoiding an uneconomic employment of productive resources. They recognize that, in order to achieve these ends, it is desirable so far as possible to adopt measures which expand rather than contract international trade.

(b) The Parties applying restrictions under this Article may determine the incidence of the restrictions on imports of different products or classes

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[2]The Parties shall make provisions for the utmost secrecy in the conduct of any consultation under the provisions of this Article.

of products in such a way as to give priority to the importation of those products which are more essential.

(c) The Parties applying restrictions under this Article undertake:

i. to avoid unnecessary damage to the commercial or economic interests of any other Party[3];

ii. not to apply restrictions so as to prevent unreasonably the importation of any description of goods in minimum commercial quantities the exclusion of which would impair regular channels of trade; and

iii. not to apply restrictions which would prevent the importations of commercial samples or prevent compliance with patent, trademark, copyright, or similar procedures.

(d) The Parties recognize that, as a result of domestic policies directed towards the achievement and maintenance of full and productive employment or towards the development of economic resources, a Party may experience a high level of demand for imports involving a threat to its monetary reserves of the sort referred to in paragraph 1 of this Article. Accordingly, a Party otherwise complying with the provisions of this Article shall not be required to withdraw or modify restrictions on the ground that a change in those policies would render unnecessary restrictions which it is applying under this Article.

4. (a) If there is a persistent and widespread application of import restrictions under this Article, indicating the existence of a general disequilibrium which is restricting trade between the Parties, the Parties shall initiate discussions to consider whether other measures might be taken, by those Parties the balance of payments of which are under pressure or by those the balance of payments of which are tending to be exceptionally favourable, to remove the underlying causes of the disequilibrium.

(b) Where the restrictive measures referred to in paragraph 1 of this Article are adopted or maintained, consultations shall be held promptly by the Joint Committee. Such consultations shall assess the balance-of-payments situation of the Party concerned and the restrictive measures adopted or maintained under this Article, taking into account, *inter alia*, factors such as:

i. the nature and extent of the balance-of-payments difficulties;

ii. the possible effect of the restrictions on economy of the other Party; or

iii. the alternative corrective measures which may be available.

The consultations shall address the compliance of any restrictive measures with the provisions of this Article.

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[3] A Party applying restrictions shall endeavour to avoid causing serious prejudice to exports of a commodity on which the economy of a Party is largely dependent.

Article 1.12
Transparency

1. Each Party shall ensure, in accordance with its respective laws and regulations, that its laws and regulations of general application with respect to any matter covered by this Agreement are promptly published or otherwise made publicly available in such a manner as to enable interested persons and the other Party to become acquainted with them, including wherever possible in electronic form. The Parties shall exchange the lists of relevant official print and electronic media.
2. Each Party shall:
   (a) publish drafts of such laws and regulations referred to in paragraph 1 of this Article that it proposes to adopt; and
   (b) provide interested persons and the other Party with a reasonable opportunity to comment on such laws and regulations referred to in paragraph 1 of this Article that it proposes to adopt.
3. Upon request of the other Party, a Party shall promptly provide information and respond to questions pertaining to any actual or proposed law, regulation, procedure or administrative ruling of general application, regardless of whether the requesting Party has been previously notified of it. The Party shall provide information under this paragraph in English and within 45 days from the date of receipt of the request.
4. The Parties shall ensure the clarity and transparency of their respective import requirements for the other Party and shall publish and provide the other Party with a step-by-step guidance on its applicable import regulation for exporters of the other Party, within 6 months from the date of entry into force of this Agreement. The guidance shall be done in English and shall be made publicly available, including through an official, public and free available website of the Party concerned. The Parties shall promptly reflect any amendments to its import regulation in the guidance.
5. The notification referred to under paragraph 3 of this Article shall be considered to have been made when the relevant information has been made publicly available, including through an official, public and fee-free accessible website of the Party concerned.
6. Any notification, request or information provided under this Article shall be conveyed to the other Party through the relevant contact points.

Article 1.13
Adjustment of Laws and Regulations

By the time of entry into force of this Agreement the Parties shall take all necessary general and specific measures necessary to implement their commitments under this Agreement, and when required shall adjust their laws and regulations respectively in order to bring them in compliance with the provisions of this Agreement.

CHAPTER 2. TRADE IN GOODS

Article 2.1
Most-Favoured-Nation Treatment

1. With respect to customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports, and with respect to the method of levying such duties and charges, and with respect to all rules and formalities in connection with importation and exportation, and with respect to all matters referred to in paragraphs 2 and 3 of Article 2.2 of this Agreement, any advantage, favour, privilege or immunity granted by a Party to any goods originating in or destined for the territory of any other country shall be accorded immediately and unconditionally to the like product originating in or destined for the territory of the other Party.

2. The provisions of paragraph 1 of this Article shall not apply to preferences:

(a) granted by a Party to adjacent countries in order to facilitate frontier trade;

(b) granted by a Party in accordance with an agreement on customs union or a free trade area or an interim agreement necessary for the formation of a customs union or a free trade area or a preferential trade agreement which complies with requirements set in the Decision on Differential and More Favourable Treatment Reciprocity and Fuller Participation of Developing Countries as of 28 November 1979 (L/4903);

(c) granted by a Party to developing and least developed countries in accordance with general scheme of tariff preferences.

Article 2.2
National Treatment[4]

1. The Parties recognize that internal taxes and other internal charges, and laws, regulations and requirements affecting the internal sale, offering for sale, purchase, transportation, distribution or use of products, and internal quantitative regulations requiring the mixture, processing or use of products

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[4] Any internal tax or other internal charge, or any law, regulation or requirement of the kind referred to in paragraph 1 of Article 2.2 of this Agreement which applies to the imported goods and to the like domestic goods and is collected or enforced in the case of the imported goods at the time or point of importation, is nevertheless to be regarded as an internal tax or other internal charge, or a law, regulation or requirement of the kind referred to in paragraph 1 of Article 2.2 of this Agreement, and is accordingly subject to the provisions of Article 2.2 of this Agreement.

in specified amounts or proportions, should not be applied to imported or domestic products so as to afford protection to domestic production[5].

2. The products of the territory of a Party imported into the territory of the other Party shall not be subject, directly or indirectly, to internal taxes or other internal charges of any kind in excess of those applied, directly or indirectly, to like domestic goods. Moreover, no Party shall otherwise apply internal taxes or other internal charges to imported or domestic products in a manner contrary to the principles set forth in paragraph 1 of this Article[6].

3. The products of the territory of a Party imported into the territory of the other Party shall be accorded treatment no less favourable than that accorded to like goods of national origin in respect of all laws, regulations and requirements affecting their internal sale, offering for sale, purchase, transportation, distribution or use. The provisions of this paragraph shall not prevent the application of differential internal transportation charges which are based exclusively on the economic operation of the means of transport and not on the nationality of the products.

4. No Party shall establish or maintain any internal quantitative regulation relating to the mixture, processing or use of products in specified amounts or proportions which requires, directly or indirectly, that any specified amount or proportion of any product which is the subject of the regulation must be supplied from domestic sources. Moreover, no Party shall otherwise apply internal quantitative regulations in a manner contrary to the principles set forth in paragraph 1 of this Article.[7]

5. No internal quantitative regulation relating to the mixture, processing or use of products in specified amounts or proportions shall be applied in such a manner as to allocate any such amount or proportion among external sources of supply.

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[5] The Parties shall take such reasonable measures as may be available to it to ensure observance of paragraph 1 of Article 2.2 of this Agreement by the regional and local governments and authorities within their territories. The term "reasonable measures" would not require, for example, the repeal of existing national legislation authorizing local governments to impose internal taxes which, although technically inconsistent with the letter of Article 2.2 of this Agreement, are not in fact inconsistent with its spirit, if such repeal would result in a serious financial hardship for the local governments or authorities concerned. With regard to taxation by local governments or authorities which is inconsistent with both the letter and spirit of Article 2.2 of this Agreement, the term "reasonable measures" would permit a Party to eliminate the inconsistent taxation gradually over a transition period, if abrupt action would create serious administrative and financial difficulties.

[6] A tax conforming to the requirements of the first sentence of paragraph 2 of Article 2.2 of this Agreement would be considered to be inconsistent with the provisions of the second sentence of the referred paragraph only in cases where competition was involved between, on the one hand, the taxed goods and, on the other hand, a directly competitive or substitutable goods which was not similarly taxed

[7] Regulation consistent with the provision of the first sentence of paragraph 4 of Article 2.2 of this Agreement shall not be considered to be contrary to the provisions of the second sentence of the referred paragraph in any case in which all of the goods subject to the regulations are produced domestically in substantial quantities. A regulation cannot be justified as being consistent with the provisions of the second sentence on the ground that the proportion or amount allocated to each of the goods which are the subject of the regulation constitutes an equitable relationship between imported and domestic goods.

6. (a) The provisions of this Article shall not apply to laws, regulations or requirements governing the procurement by governmental agencies of products purchased for governmental purposes and not with a view to commercial resale or with a view to use in the production of goods for commercial sale.

(b) The provisions of this Article shall not prevent the payment of subsidies exclusively to domestic producers, including payments to domestic producers derived from the proceeds of internal taxes or charges applied consistently with the provisions of this Article and subsidies effected through governmental purchases of domestic products.

7. The Parties recognize that internal maximum price control measures, even though conforming to the other provisions of this Article, can have effects prejudicial to the interests of the Parties supplying imported products. Accordingly, a Party applying such measures shall take account of the interests of the other Party with a view to avoiding to the fullest practicable extent such prejudicial effects.

Article 2.3
Reduction and/or Elimination of Customs Duties

1. Each Party shall accord to the originating goods of the other Party treatment not less favourable than that provided for in the former Party's Schedule of Tariff Commitments provided for in Annex 1 to this Agreement.

2. The originating goods of a Party described in the Schedule of Tariff Commitments of another Party, shall, on their importation into the territory of the latter Party, and subject to the terms, conditions and qualifications set forth in that Schedule, be exempt from customs duties in excess to those set forth and provided therein. Such goods shall also be exempt from all other duties or charges of any kind imposed on or in connection with the importation in excess of those set forth and provided in the Schedule.

3. Nothing in this Article shall prevent any Party from imposing at any time on the importation of any product:

(a) a charge equivalent to an internal tax imposed consistently with the provisions of paragraph 2 of Article 2.2 of this Agreement in respect of the like domestic product or in respect of an article from which the imported product has been manufactured or produced in whole or in part;

(b) any duty imposed consistently with Chapter 3 of this Agreement;

(c) fees or other charges commensurate with the cost of services rendered.

4. If the rate of preferential customs duty on an originating goods of a Party applied in accordance with Annex 1 to this Agreement is higher than the most-favoured-nation applied rate of customs duty on the same goods, such goods shall be eligible for the latter one.

Article 2.4
Changes to Applied Tariff Nomenclature

1. Each Party shall ensure that any change to its applied nomenclature based on HS and its description shall be carried out without impairing tariff concessions undertaken in accordance with Annex 1 to this Agreement.
2. Such change to the EAEU applied nomenclature based on HS and its description and I.R. Iran applied nomenclature based on HS and its description shall be carried out by the Eurasian Economic Commission and I.R. Iran, respectively. The Parties shall make any change to their applied nomenclature based on HS code and its description publicly available in a timely manner and inform each other every year.

Article 2.5
Fees, Charges and Formalities Connected with Importation and Exportation[8]

1. (a) All fees and charges of whatever character (other than import and export duties and other than taxes within the purview of Article 2.2 of this Agreement) imposed by Parties on or in connection with importation or exportation shall be limited in amount to the approximate cost of services rendered and shall not represent an indirect protection to domestic goods or a taxation of imports or exports for fiscal purposes.
   (b) The Parties recognize the need for reducing the number and diversity of fees and charges referred to in subparagraph (a) of this paragraph.

[8] While Article 2.5 of this Agreement does not cover the use of multiple rates of exchange as such, paragraphs 1 and 4 of Article 2.5 of this Agreement condemn the use of exchange taxes or fees as a device for implementing multiple currency practices; if, however, a Party is using multiple currency exchange fees for balance of payments reasons with the approval of the International Monetary Fund, nothing in this Agreement shall preclude the use by a Party of exchange controls or exchange restrictions in accordance with the Articles of Agreement of the International Monetary Fund or with that Party's special exchange agreement with the other Party.

(c) The Parties also recognize the need for minimizing the incidence and complexity of import and export formalities and for decreasing and simplifying import and export documentation requirements.[9]

2. A Party shall, upon request by the other Party, review the operation of its laws and regulations in the light of the provisions of this Article.

3. No Party shall impose substantial penalties for minor breaches of customs regulations or procedural requirements. In particular, no penalty in respect of any omission or mistake in customs documentation which is easily rectifiable and obviously made without fraudulent intent or gross negligence shall be greater than necessary to serve merely as a warning.

4. The provisions of this Article shall extend to fees, charges, formalities and requirements imposed by governmental authorities in connection with importation and exportation, including those relating to:

(a) consular transactions, such as consular invoices and certificates;
(b) quantitative restrictions;
(c) licensing;
(d) exchange control;
(e) statistical services;
(f) documents, documentation and certification;
(g) analysis and inspection; and
(h) quarantine, sanitation and fumigation.

5. Each Party shall ensure that its competent authorities make available through their official websites information about fees and charges it imposes.

Article 2.6
Administration of Trade Regulations

1. Laws and regulations, judicial decisions and administrative rulings of general application, made effective by the Parties, pertaining to the classification or the valuation of goods for customs purposes, or to rates of duty, taxes or other charges, or to requirements, restrictions or prohibitions on imports or exports or on the transfer of payments therefor, or affecting their sale, distribution, transportation, insurance, warehousing inspection, exhibition, processing, mixing or other use, shall be published promptly in such a manner as to enable governments and traders to become acquainted with them. Agreements affecting international trade policy which are in force between the government or a governmental agency of the Parties shall also be published. The provisions of this paragraph shall not require the Parties

[9] It would be consistent with paragraph 1 of Article 2.5 of this Agreement if, on the importation of goods from the territory of a Party into the territory of the other Party, the production of certificates of origin should only be required to the extent that is strictly indispensable.

to disclose confidential information which would impede law enforcement or otherwise be contrary to the public interest or would prejudice the legitimate commercial interests of particular enterprises, public or private.

2. No measure of general application taken by the Parties effecting an advance in a rate of duty or other charge on imports under an established and uniform practice, or imposing a new or more burdensome requirement, restriction or prohibition on imports, or on the transfer of payments therefor, shall be enforced before such measure has been officially published.

3. (a) Each Party shall administer in a uniform, impartial and reasonable manner all its laws, regulations, decisions and rulings of the kind described in paragraph 1 of this Article.

(b) Each Party shall maintain, or institute as soon as practicable, judicial, arbitral or administrative tribunals or procedures for the purpose, *inter alia*, of the prompt review and correction of administrative action relating to customs matters. Such tribunals or procedures shall be independent of the agencies entrusted with administrative enforcement and their decisions shall be implemented by, and shall govern the practice of, such agencies unless an appeal is lodged with a court or tribunal of superior jurisdiction within the time prescribed for appeals to be lodged by importers; provided that the central administration of such agency may take steps to obtain a review of the matter in another proceeding if there is good cause to believe that the decision is inconsistent with established principles of law or the actual facts.

(c) The provisions of subparagraph (b) of this paragraph shall not require the elimination or substitution of procedures in force in the territory of a Party on the date of entry into force of this Agreement which in fact provide for an objective and impartial review of administrative action even though such procedures are not fully or formally independent of the agencies entrusted with administrative enforcement. Any Party employing such procedures shall, upon request, furnish full information thereon in order that the other Party may determine whether such procedures conform to the requirements of this subparagraph.

Article 2.7
Quantitative Restrictions[10]

1. No prohibitions or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licenses or other measures, shall be instituted or maintained by any Party on the importation of any products of the territory of any other Party or on the exportation or sale for export of any products destined for the territory of any other Party.

2. The provisions of paragraph 1 of this Article shall not extend to the following:

(a) export prohibitions or restrictions temporarily applied to prevent or relieve critical shortages of foodstuffs or other goods essential to the exporting Party;

(b) import and export prohibitions or restrictions necessary to the application of standards or regulations for the classification, grading or marketing of commodities in international trade;

(c) import restrictions on any agricultural or fisheries goods, imported in any form[11], necessary to the enforcement of governmental measures which operate:

i. to restrict the quantities of the like domestic goods permitted to be marketed or produced, or, if there is no substantial domestic production of the like goods, of domestic goods for which the imported goods can be directly substituted; or

ii. to remove a temporary surplus of the like domestic goods, or, if there is no substantial domestic production of the like goods, of domestic goods for which the imported goods can be directly substituted, by making the surplus available to certain groups of domestic consumers free of charge or at prices below the current market level; or

iii. to restrict the quantities permitted to be produced of any animal goods the production of which is directly dependent, wholly or mainly, on the imported commodity, if the domestic production of that commodity is relatively negligible.

Any Party applying restrictions on the importation of any goods pursuant to subparagraph (c) of this paragraph shall give public notice of the total quantity or value of the goods permitted to be imported during a specified future period and of any change in such quantity or value. Moreover,

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[10] Throughout Article 2.7 of this Agreement the terms "import restrictions" or "export restrictions" include restrictions made effective through state-trading operations.

[11] The term "in any form" in subparagraph (c) of paragraph 2 of Article 2.7 of this Agreement covers the same goods when in an early stage of processing and still perishable, which compete directly with the fresh goods and if freely imported would tend to make the restriction on the fresh goods ineffective.

any restrictions applied under subparagraph (i) above shall not be such as will reduce the total of imports relative to the total of domestic production, as compared with the proportion which might reasonably be expected to rule between the two in the absence of restrictions. In determining this proportion, the Party shall pay due regard to the proportion prevailing during a previous representative period and to any special factors[12] which may have affected or may be affecting the trade in the goods concerned.

3. No prohibition or restriction shall be applied by a Party on the importation of any goods of the territory of the other Party or on the exportation of any goods destined for the territory of the other Party, unless the importation of the like goods of all third countries or the exportation of the like goods to all third countries is similarly prohibited or restricted.

4. In applying import restrictions to any goods, the Parties shall aim at a distribution of trade in such goods approaching as closely as possible the shares which the other Party might be expected to obtain in the absence of such restrictions and to this end shall observe the following provisions:

(a) wherever practicable, quotas representing the total amount of permitted imports (whether allocated among supplying countries or not) shall be fixed, and notice given of their amount in accordance with paragraph 5 (b) of this Article;

(b) in cases in which quotas are not practicable, the restrictions may be applied by means of import licenses or permits without a quota;

(c) the Parties shall not, except for purposes of operating quotas allocated in accordance with subparagraph (d) of this paragraph, require that import licenses or permits be utilized for the importation of the goods concerned from a particular country or source;

(d) in cases in which a quota is allocated among supplying countries the Party applying the restrictions may seek agreement with respect to the allocation of shares in the quota with the countries having a substantial interest in supplying the goods concerned including the other Party. In cases in which this method is not reasonably practicable, the Party concerned shall allot to the other Party a share based upon the proportions, supplied by such Party during a previous representative period, of the total quantity or value of imports of the goods, due account being taken of any special factors which may have affected or may be affecting the trade in the goods. No conditions or formalities shall be impozed which would prevent any Party from utilizing fully the share of any such total quantity or value

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[12] The term "special factors" includes changes in relative productive efficiency as between domestic and foreign producers, or as between different foreign producers, but not changes artificially brought about by means not permitted under this Agreement.

which has been allotted to it, subject to importation being made within any prescribed period to which the quota may relate[13].

5. (a) In cases in which import licenses are issued in connection with import restrictions, the Party applying the restrictions shall provide, upon the request of the other Party, all relevant information concerning the administration of the restrictions, the import licenses granted over a recent period and the distribution of such licenses among supplying countries; *Provided* that there shall be no obligation to supply information as to the names of importing or supplying enterprises.

(b) In the case of import restrictions involving the fixing of quotas, the Party applying the restrictions shall give public notice of the total quantity or value of the goods or goods which will be permitted to be imported during a specified future period and of any change in such quantity or value. Any supplies of the goods in question which were en route at the time at which public notice was given shall not be excluded from entry; *Provided* that they may be counted so far as practicable, against the quantity permitted to be imported in the period in question, and also, where necessary, against the quantities permitted to be imported in the next following period or periods; and *Provided* further that if any Party customarily exempts from such restrictions goods entered for consumption or withdrawn from warehouse for consumption during a period of 30 days after the day of such public notice, such practice shall be considered in full compliance with this subparagraph.

(c) In the case of quotas allocated among supplying countries, the Party applying the restrictions shall promptly inform the other Party of the shares in the quota currently allocated, by quantity or value, to the various supplying countries and shall give public notice thereof.

6. With regard to restrictions applied in accordance with paragraph 2 (c) or paragraph 4 (d) of this Article, the selection of a representative period for any goods and the appraisal of any special factors affecting the trade in the goods shall be made initially by the Party applying the restriction; *Provided* that such Party shall, upon the request of the other Party consult promptly with the other Party regarding the need for an adjustment of the proportion determined or of the base period selected, or for the reappraisal of the special factors involved, or for the elimination

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[13] No mention was made of "commercial considerations" as a rule for the allocation of quotas because it was considered that its application by governmental authorities might not always be practicable. Moreover, in cases where it is practicable, a Party could apply these considerations in the process of seeking agreement, consistently with the general rule laid down in the opening sentence of paragraph 4 of this Article.

of conditions, formalities or any other provisions established unilaterally relating to the allocation of an adequate quota or its unrestricted utilization.

7. The provisions of this Article shall apply to any tariff quota instituted or maintained by any Party, and, in so far as applicable, the principles of this Article shall also extend to export restrictions.

Article 2.8
Freedom of Transit

1. Goods (including baggage), and also vessels and other means of transport shall be deemed to be in transit across the territory of a Party when the passage across such territory, with or without trans-shipment, warehousing, breaking bulk, or change in the mode of transport, is only a portion of a complete journey beginning and terminating beyond the frontier of the Party across whose territory the traffic passes. Traffic of this nature is termed in this Article "traffic in transit".

2. There shall be freedom of transit through the territory of each Party, via the routes most convenient for international transit, for traffic in transit to or from the territory of the other Party. No distinction shall be made which is based on the flag of vessels, the place of origin, departure, entry, exit or destination, or on any circumstances relating to the ownership of goods, of vessels or of other means of transport.

3. The Party may require that traffic in transit through its territory be entered at the proper custom house, but, except in cases of failure to comply with applicable customs laws and regulations, such traffic coming from or going to the territory of the other Party shall not be subject to any unnecessary delays or restrictions and shall be exempt from customs duties and from all transit duties or other charges imposed in respect of transit, except charges for transportation or those commensurate with administrative expenses entailed by transit or with the cost of services rendered.

4. All charges and regulations imposed by a Party on traffic in transit to or from the territory of the other Party shall be reasonable, having regard to the conditions of the traffic.

5. With respect to all charges, regulations and formalities in connection with transit, each Party shall accord to traffic in transit to or from the territory of the other Party treatment no less favourable than the treatment accorded to traffic in transit to or from any third country.[14]

6. Each Party shall accord to goods which have been in transit through the territory of the other Party treatment no less favourable than that which

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[14] With regard to transportation charges, the principle laid down in paragraph 5 of Article 2.8 of this Agreement refers to like goods being transported on the same route under like conditions.

would have been accorded to such goods had they been transported from their place of origin to their destination without going through the territory of such other Party. The Party shall, however, be free to maintain its requirements of direct consignment existing on the date of entry into force of this Agreement, in respect of any goods in regard to which such direct consignment is a requisite condition of eligibility for entry of the goods at preferential rates of duty or has relation to the Party's prescribed method of valuation for duty purposes.

7. The provisions of this Article shall not apply to the operation of aircraft in transit, but shall apply to air transit of goods (including baggage).

Article 2.9
Committee on Trade in Goods

1. The Parties hereby establish the Committee on Trade in Goods (hereinafter referred to as "the Goods Committee"), comprising representatives of each Party.

2. The Goods Committee shall meet upon request of either Party to consider any matter arising under this Chapter and under Chapters 3, 6 and 7 of this Agreement.

3. The Goods Committee shall have the following functions:

(a) reviewing and monitoring the implementation and operation of the Chapters referred to in paragraph 2 of this Article;

(b) reviewing and making appropriate recommendations, as needed, to the Joint Committee on any amendment to the provisions of this Chapter and to the Schedules of Tariff Commitments in Annex 1 to this Agreement in order to promote and facilitate improved market access;

(c) identifying and recommending measures to resolve any problem that may arise;

(d) reporting the findings on any other issue arising from the implementation of this Chapter to the Joint Committee.

Article 2.10
Nullification or Impairment of Commitments

1. If any Party should consider that any benefit accruing to it directly or indirectly under this Agreement is being nullified or impaired or that the attainment of any objective of the Agreement is being impeded as the result of

(a) the failure of another Party to carry out its obligations under this Agreement, or

(b) the application by another Party of any measure, whether or not it conflicts with the provisions of this Agreement, or

(c) the existence of any other situation,

the Party may, with a view to the satisfactory adjustment of the matter, make written representations or proposals to the other Party. A Party thus approached shall give sympathetic consideration to the representations or proposals made to it.

2. If no satisfactory adjustment is effected between the Parties within a reasonable period of time, not exceeding 60 days, or if the difficulty is of the type described in subparagraph (c) of paragraph 1 of this Article, the matter may be referred to the Joint Committee. The Joint Committee shall promptly investigate any matter so referred to it and shall make appropriate recommendations or give a ruling on the matter, as appropriate.

3. If the Joint Committee considers that the circumstances are serious enough to justify such action, it may authorize a Party to suspend the application to the other Party of such concessions or other obligations under this Agreement as it determines to be appropriate in the circumstances.

4. If no consensus is reached by the Parties through the Joint Committee and the matter concerned is still in place, the Party concerned may suspend its concessions unilaterally without prejudice to the other Party's right to initiate a dispute on this matter under Chapter 8 of this Agreement.

5. Within 60 days from the date of suspension of concessions in accordance with paragraph 4 of this Article the Party concerned shall notify the other Party of such suspension in writing.

Article 2.11
State Trading Enterprises

1.[15] (a) Each Party undertakes that if it establishes or maintains a State enterprise, wherever located, or grants to any enterprise, formally or in effect, exclusive or special privileges,[16] such enterprise shall, in its purchases or sales involving either imports or exports, act in a manner consistent with the general principles of non-discriminatory treatment prescribed in this Agreement for governmental measures affecting imports or exports by private traders.

(b) The provisions of subparagraph (a) of this paragraph shall be understood to require that such enterprises shall, having due regard to the other provisions of this Agreement, make any such purchases or sales solely in accordance with commercial considerations,[17] including price, quality, availability, marketability, transportation and other conditions of purchase or sale, and shall afford the enterprises of the other Party adequate opportunity, in accordance with customary business practice, to compete for participation in such purchases or sales.

(c) No Party shall prevent any enterprise (whether or not an enterprise described in subparagraph (a) of this paragraph) under its jurisdiction from acting in accordance with the principles of subparagraphs (a) and (b) of this paragraph.

2. The provisions of paragraph 1 of this Article shall not apply to imports of products for immediate or ultimate consumption in governmental use and not otherwise for resale or use in the production of goods[18] for sale. With respect to such imports, each Party shall accord to the trade of the other Party fair and equitable treatment.

3. The Parties recognize that enterprises of the kind described in paragraph 1 (a) of this Article might be operated so as to create serious obstacles to trade; thus negotiations on a reciprocal and mutually advantageous basis designed

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[15] The operations of Marketing Boards, which are established by the Parties and are engaged in purchasing or selling, are subject to the provisions of subparagraphs (a) and (b) of paragraph 1 of Article 2.11 of this Agreement. The activities of Marketing Boards which are established by the Parties and which do not purchase or sell but lay down regulations covering private trade are governed by the relevant Articles of this Agreement. The charging by a state enterprise of different prices for its sales of a goods in different markets is not precluded by the provisions of this Article, provided that such different prices are charged for commercial reasons, to meet conditions of supply and demand in export markets.

[16] Governmental measures imposed to insure standards of quality and efficiency in the operation of external trade, or privileges granted for the exploitation of national natural resources but which do not empower the government to exercise control over the trading activities of the enterprise in question, do not constitute "exclusive or special privileges".

[17] A country receiving a "tied loan" is free to take this loan into account as a "commercial consideration" when purchasing requirements abroad.

[18] The term "goods" is limited to goods as understood in commercial practice, and is not intended to include the purchase or sale of services.

to limit or reduce such obstacles are of importance to the expansion of international trade.

4. (a) The Parties shall notify the Joint Committee of the goods which are imported into or exported from their territories by enterprises of the kind described in paragraph 1 (a) of this Article.

(b) The Party establishing, maintaining or authorizing an import monopoly of a good, which is not included in Annex 1 to this Agreement, shall, on request of the other Party inform such a Party of the import mark-up[19] on the goods during a recent representative period, or, when it is not possible to do so, of the price charged on the resale of the goods.

(c) The Party which has reason to believe that its interest under this Agreement is being adversely affected by the operations of an enterprise of the kind described in paragraph 1 (a) of this Article, requests the Party establishing, maintaining or authorizing such enterprise to supply information about its operations related to the carrying out of the provisions of this Agreement.

(d) The provisions of this paragraph shall not require any Party to disclose confidential information which would impede law enforcement or otherwise be contrary to the public interest or would prejudice the legitimate commercial interests of particular enterprises.

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[19] The term "mark-up" shall represent the margin by which the price charged by the import monopoly for the imported goods (exclusive of internal taxes within the purview of Article 2.2 of this Agreement, transportation, distribution, and other expenses incident to the purchase, sale or further processing, and a reasonable margin of profit) exceeds the landed cost.

CHAPTER 3. TRADE REMEDIES

Article 3.1
Definitions

For the purposes of this Chapter:

(a) **"anti-dumping measure"** means a measure imposed by a Party on imports of a product from another Party in order to offset or prevent dumping which causes or threatens to cause material injury or materially retards the establishment of a domestic industry, that is applied pursuant to this Chapter;

(b) **"bilateral safeguard measure"** means a measure imposed by a Party on imports of a product originating in another Party in order to prevent or remedy serious injury to a domestic industry or threat thereof caused by increased imports of that product as a result of the reduction or elimination of a customs duty under this Agreement and applied in accordance with the provisions of this Chapter;

(c) **"countervailing measure"** means a measure imposed by a Party on imports of a product from another Party in order to offset the effect of a specific subsidy provided within the territory of the latter Party which causes or threatens to cause material injury or materially retards the establishment of a domestic industry, that is applied pursuant to this Chapter;

(d) **"global safeguard measure"** means a measure imposed by a Party on imports of a product to prevent or remedy serious injury or threats thereof to a domestic industry which is caused by increased imports of that product from all countries and applied in accordance with the provisions of this Chapter.

Article 3.2
Anti-Dumping and Countervailing Measures

1. Each Party shall apply anti-dumping and countervailing measures in accordance with its anti-dumping and countervailing duty legislation, except as otherwise provided for in this Chapter.

2. A product is to be considered as being dumped if the export price of this product exported from one Party to another is less than the comparable price, in the ordinary course of trade, for the like product when destined for consumption in the exporting Party.

3. Sales of the like product in the domestic market of the exporting Party at prices not below weighted average costs of production plus administrative,

selling and general costs shall be regarded as being in the ordinary course of trade. For the purposes of anti-dumping investigations when there are no sales of the like product in the ordinary course of trade in the domestic market of the exporting Party or when, because of the low volume of the sales in the domestic market of the exporting country, such sales do not permit a proper comparison, the margin of dumping shall be determined by comparison with a comparable price of the like product when exported to an appropriate third country, provided that this price is representative, or with the cost of production in the country of origin plus a reasonable amount for administrative, selling and general costs and for profits. Sales of the like product in the domestic market of the exporting Party or sales to a third country at prices below per unit (fixed and variable) costs of production plus administrative, selling and general costs may be treated as not being in the ordinary course of trade by reason of price and may be disregarded in determining normal value only if the investigating authorities determine that such sales are made within an extended period of time[20] in substantial quantities[21] and are at prices which do not provide for the recovery of all costs within a reasonable period of time. If prices which are below per unit costs at the time of sale are above weighted average per unit costs for the period of investigation, such prices shall be considered to provide for recovery of costs within a reasonable period of time. For the purpose of this paragraph, costs shall normally be calculated on the basis of records kept by the exporter or producer under investigation, provided that such records are in accordance with the generally accepted accounting principles of the exporting country and reasonably reflect the costs associated with the production and sale of the product under consideration. Authorities shall consider all available evidence on the proper allocation of costs, including that which is made available by the exporter or producer in the course of the investigation provided that such allocations have been historically utilized by the exporter or producer, in particular in relation to establishing appropriate amortization and depreciation periods and allowances for capital expenditures and other development costs. Unless already reflected in the cost allocations under this paragraph, costs shall be adjusted appropriately for those non-recurring items of cost which benefit future and/or current production, or for circumstances in which costs during the period of investigation are affected by start-up

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[20] The extended period of time should normally be one year but shall in no case be less than 6 months.

[21] Sales below per unit costs are made in substantial quantities when the authorities establish that the weighted average selling price of the transactions under consideration for the determination of the normal value is below the weighted average per unit costs, or that the volume of sales below per unit costs represents not less than 20 per cent of the volume sold in transactions under consideration for the determination of the normal value.

operations.[22] For the purpose of this paragraph, the amounts for administrative, selling and general costs and for profits shall be based on actual data pertaining to production and sales in the ordinary course of trade of the like product by the exporter or producer under investigation. When such amounts cannot be determined on this basis, the amounts may be determined on the basis of:

i. the actual amounts incurred and realized by the exporter or producer in question in respect of production and sales in the domestic market of the country of origin of the same general category of products;

ii. the weighted average of the actual amounts incurred and realized by other exporters or producers subject to investigation in respect of production and sales of the like product in the domestic market of the country of origin;

iii. any other reasonable method, provided that the amount for profit so established shall not exceed the profit normally realized by other exporters or producers on sales of products of the same general category in the domestic market of the country of origin.

4. In cases where there is no export price or where it appears to the authorities concerned that the export price is unreliable because of association or a compensatory arrangement between the exporter and the importer or a third party, the export price may be constructed on the basis of the price at which the imported products are first resold to an independent buyer, or if the products are not resold to an independent buyer, or not resold in the condition as imported, on such reasonable basis as the authorities may determine.

5. A fair comparison shall be made between the export price and the normal value. This comparison shall be made at the same level of trade, normally at the ex-factory level, and in respect of sales made at as nearly as possible the same time. Due allowance shall be made in each case, on its merits, for differences which affect price comparability, including differences in conditions and terms of sale, taxation, levels of trade, quantities, physical characteristics, and any other differences which are also demonstrated to affect price comparability. In the cases referred to in paragraph 4 of this Article, allowances for costs, including duties and taxes, incurred between importation and resale, and for profits accruing, should also be made. If in these cases price comparability has been affected, the authorities shall establish the normal value at a level of trade equivalent to the level of trade of the constructed export

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[22] The adjustment made for start-up operations shall reflect the costs at the end of the start-up period or, if that period extends beyond the period of investigation, the most recent costs which can reasonably be taken into account by the authorities during the investigation.

price, or shall make due allowance as warranted under this paragraph. The authority of the Party shall indicate to the parties in question what information is necessary to ensure a fair comparison and shall not impose an unreasonable burden of proof on those parties.

i. When the comparison under paragraph 5 of this Article requires a conversion of currencies, such conversion should be made using the rate of exchange on the date of sale, provided that when a sale of foreign currency on forward markets is directly linked to the export sale involved, the rate of exchange in the forward sale shall be used. Fluctuations in exchange rates shall be ignored and in an investigation the authorities shall allow exporters at least 60 days to have adjusted their export prices to reflect sustained movements in exchange rates during the period of investigation.

ii. Subject to the provisions governing fair comparison in paragraph 5 of this Article, the existence of margins of dumping during the investigation phase shall normally be established on the basis of a comparison of a weighted average normal value with a weighted average of prices of all comparable export transactions or by a comparison of normal value and export prices on a transaction to transaction basis. A normal value established on a weighted average basis may be compared to prices of individual export transactions if the authorities find a pattern of export prices which differ significantly among different purchasers, regions or time periods, and if an explanation is provided as to why such differences cannot be taken into account appropriately by the use of a weighted average to weighted average or transaction to transaction comparison.

6. In the case where products are not imported directly from the country of origin but are exported to the importing Party from an intermediate country, the price at which the products are sold from the country of export to the importing Party shall normally be compared with the comparable price in the country of export. However, comparison may be made with the price in the country of origin, if, for example, the products are merely transshipped through the country of export, or such products are not produced in the country of export, or there is no comparable price for them in the country of export.

7. Throughout this Chapter the term "like product" shall be interpreted to mean a product which is identical, i.e. alike in all respects to the product under consideration, or in the absence of such a product, another product

which, although not alike in all respects, has characteristics closely resembling those of the product under consideration.

8. For the purposes of this Chapter a subsidy shall be deemed to exist if:

(a) there is a financial contribution by a government or any public body within the territory of an exporting Party, i.e. where:

i. a government practice involves a direct transfer of funds (e.g. grants, loans, and equity infusion), potential direct transfers of funds or liabilities (e.g. loan guarantees);

ii. government revenue that is otherwise due is foregone or not collected (e.g. fiscal incentives such as tax credits)[23];

iii. a government provides goods or services other than general infrastructure, or purchases goods;

iv. a government makes payments to a funding mechanism, or entrusts or directs a private body to carry out one or more of the type of functions illustrated in (i) to (iii) above which would normally be vested in the government and the practice, in no real sense, differs from practices normally followed by governments;

or

(b) any form of income or price support on the recipient of a subsidy which operates directly or indirectly to increase exports of a product from an exporting Party or to reduce imports of the like product into this Party; and

(c) a benefit is thereby conferred.

9. A subsidy of an exporting Party shall be considered specific if access to a subsidy in the law of an exporting Party or in fact is limited to certain enterprise or industry or group of enterprises or industries within the jurisdiction of the granting authority. A subsidy which is limited to certain enterprises located within a designated geographical region within the jurisdiction of the granting authority shall be specific. It is understood that the setting or change of generally applicable tax rates by all levels of government entitled to do so shall not be deemed to be a specific subsidy for the purposes of this Agreement.

10. In order to determine whether a subsidy is specific the following principles shall apply:

(a) where the granting authority, or the legislation pursuant to which the granting authority operates, explicitly limits access to a subsidy to certain enterprises, such subsidy shall be specific;

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[23] The exemption of an exported product from duties or taxes borne by the like product when destined for domestic consumption, or the remission of such duties or taxes in amounts not in excess of those which have accrued, shall not be deemed to be a subsidy.

(b) where the granting authority, or the legislation pursuant to which the granting authority operates, establishes objective criteria or conditions[24] governing the eligibility for, and the amount of, a subsidy, specificity shall not exist, provided that the eligibility is automatic and that such criteria and conditions are strictly adhered to. The criteria or conditions must be clearly spelled out in law, regulation, or other official document, so as to be capable of verification;

(c) if, notwithstanding any appearance of non-specificity resulting from the application of the principles laid down in subparagraphs (a) and (b) of this paragraph, there are reasons to believe that the subsidy may in fact be specific, other factors may be considered. Such factors are: use of a subsidy programme by a limited number of certain enterprises, predominant use by certain enterprises, the granting of disproportionately large amounts of subsidy to certain enterprises, and the manner in which discretion has been exercised by the granting authority in the decision to grant a subsidy[25]. In applying this subparagraph, account shall be taken of the extent of diversification of economic activities within the jurisdiction of the granting authority, as well as of the length of time during which the subsidy programme has been in operation.

11. Any determination of specificity under the provisions of paragraphs 9 and 10 of this Article shall be clearly substantiated on the basis of positive evidence.

12. Any subsidy of an exporting Party shall be a specific subsidy if:

(a) a subsidy is contingent, in the law of an exporting Party or in fact[26], whether solely or as one of several other conditions, upon export performance;

(b) a subsidy is contingent, in the law of an exporting Party or in fact, whether solely or as one of several other conditions, upon the use of domestic over imported goods.

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[24] Objective criteria or conditions, as used herein, mean criteria or conditions which are neutral, which do not favour certain enterprises over others, and which are economic in nature and horizontal in application, such as number of employees or size of enterprise.

[25] In this regard, in particular, information on the frequency with which applications for a subsidy are refused or approved and the reasons for such decisions shall be considered.

[26] This standard is met when the facts demonstrate that the granting of a subsidy, without having been made legally contingent upon export performance, is in fact tied to actual or anticipated exportation or export earnings. The mere fact that a subsidy is granted to enterprises which export shall not for that reason alone be considered to be an export subsidy within the meaning of this provision.

13. Any method used by the investigating authority to calculate the benefit to the recipient pursuant to paragraph 8 of this Article shall be consistent with the following guidelines:

(a) government provision of equity capital shall not be considered as conferring a benefit, unless the investment decision can be regarded as inconsistent with the usual investment practice (including for the provision of risk capital) of private investors in the territory of that Party;

(b) a loan by a government shall not be considered as conferring a benefit, unless there is a difference between the amount that the firm receiving the loan pays on the government loan and the amount the firm would pay on a comparable commercial loan which the firm could actually obtain on the market. In this case the benefit shall be the difference between these two amounts;

(c) a loan guarantee by a government shall not be considered as conferring a benefit, unless there is a difference between the amount that the firm receiving the guarantee pays on a loan guaranteed by the government and the amount that the firm would pay on a comparable commercial loan absent the government guarantee. In this case the benefit shall be the difference between these two amounts adjusted for any differences in fees;

(d) the provision of goods or services or purchase of goods by a government shall not be considered as conferring a benefit unless the provision is made for less than adequate remuneration, or the purchase is made for more than adequate remuneration. The adequacy of remuneration shall be determined in relation to prevailing market conditions for the good or service in question in the country of provision or purchase (including price, quality, availability, marketability, transportation and other conditions of purchase or sale).

14. The Parties may apply an anti-dumping measure or countervailing measure only following an investigation by the investigating authority initiated and conducted in accordance with the provisions of this Article. An investigation shall, except in special circumstances, be concluded within one year, and in no case more than 18 months, after its initiation.

15. An investigation shall be initiated upon a written application by or on behalf of the domestic industry which included sufficient evidence of (a) dumping (for the purpose of anti-dumping investigation) or a specific subsidy (for the purpose of countervailing investigation), (b) injury

to the domestic industry[27] and (c) a causal link between the dumped imports (for the purpose of anti-dumping investigation) or subsidized imports (for the purpose of countervailing investigation) and the alleged injury. Simple assertion, unsubstantiated by relevant evidence, cannot be considered sufficient to meet the requirements of this paragraph.

16. The application for the purposes of a countervailing duty investigation shall contain such information as is reasonably available to the applicant on the following:

(a) the identity of the applicant and a description of the volume and value of the domestic production of the like product by the applicant. Where a written application is made on behalf of the domestic industry, the application shall identify the industry on behalf of which the application is made by a list of all known domestic producers of the like product (or associations of domestic producers of the like product) and, to the extent possible, a description of the volume and value of domestic production of the like product accounted for by such producers;

(b) a complete description of the allegedly subsidized product, the names of the country or countries of origin or export in question, the identity of each known exporter or foreign producer and a list of known persons importing the product in question;

(c) evidence with regard to the existence, amount and nature of the subsidy in question;

(d) evidence that alleged injury to a domestic industry is caused by subsidized imports through the effects of the subsidies; this evidence includes information on the evolution of the volume of the allegedly subsidized imports, the effect of these imports on prices of the like product in the domestic market and the consequent impact of the imports on the domestic industry, as demonstrated by relevant factors and indices having a bearing on the state of the domestic industry, such as those listed in paragraph 23 of this Article.

17. The application for the purposes of an anti-dumping investigation shall contain such information as is reasonably available to the applicant on the following:

(a) the identity of the applicant and a description of the volume and value of the domestic production of the like product by the applicant. Where a written application is made on behalf of the domestic industry, the application shall identify the industry on behalf of which the application is made by a list of all known domestic producers of the

[27] The term "injury" shall, unless otherwise specified, be taken to mean material injury to a domestic industry, threat of material injury to a domestic industry or material retardation of the establishment of such an industry.

like product (or associations of domestic producers of the like product) and, to the extent possible, a description of the volume and value of domestic production of the like product accounted for by such producers;

(b) a complete description of the allegedly dumped product, the names of the country or countries of origin or export in question, the identity of each known exporter or foreign producer and a list of known persons importing the product in question;

(c) information on prices at which the product in question is sold when destined for consumption in the domestic markets of the country or countries of origin or export (or, where appropriate, information on the prices at which the product is sold from the country or countries of origin or export to a third country or countries, or on the constructed value of the product) and information on export prices or, where appropriate, on the prices at which the product is first resold to an independent buyer in the territory of the importing Party;

(d) information on the evolution of the volume of the allegedly dumped imports, the effect of these imports on prices of the like product in the domestic market and the consequent impact of the imports on the domestic industry, as demonstrated by relevant factors and indices having a bearing on the state of the domestic industry, such as those listed in paragraph 23 of this Article.

18. After receipt of a properly documented application and before proceeding to initiate an anti-dumping investigation, the authorities shall notify the government of the exporting Party concerned at least 15 days before initiating such anti-dumping investigation.

19. The investigating authorities shall examine the accuracy and adequacy of the evidence provided in the application to determine whether there is sufficient evidence to justify the initiation of an investigation. An investigation shall not be initiated pursuant to paragraph 15 of this Article unless the investigating authority of the Party has determined, on the basis of an examination of the degree of support for, or opposition to, the application expressed by domestic producers of the like product, that the application has been made by or on behalf of the domestic industry. The application shall be considered to have been made "by or on behalf of the domestic industry" if it is supported by those domestic producers whose collective output constitutes more than 50 per cent of the total production of the like product produced by that portion of the domestic industry expressing either support for or opposition to the application. However, no investigation shall be initiated when domestic producers expressly supporting the application account for less than 25 per cent of total production of the like product produced

by the domestic industry. If, in special circumstances, the investigating authority concerned decides to initiate an investigation without having received a written application by or on behalf of a domestic industry for the initiation of such investigation, it shall proceed only if it has sufficient evidence of dumping (for the purpose of anti-dumping investigation) or a specific subsidy (for the purpose of countervailing investigation), injury and a causal link, as described in paragraph 15 of this Article, to justify the initiation of an investigation.

20. An application shall be rejected and an investigation shall be terminated promptly as soon as the investigating authority of the Party concerned is satisfied that there is not sufficient evidence of either dumping (for the purposes of anti-dumping investigations) or subsidization (for the purposes of countervailing duty investigation) or of injury to justify proceeding with the case. There shall be immediate termination in cases where the investigating authority of the Party determines that the margin of dumping or the amount of a subsidy is *de minimis* or that the volume of dumped or subsidized imports, actual or potential, or the injury, is negligible. The margin of dumping shall be considered to be *de minimis* if this margin is less than 2 per cent, expressed as a percentage of the export price. The volume of dumped imports shall normally be regarded as negligible if the volume of dumped imports from a particular country is found to account for less than 3 per cent of imports of the like product in the importing Party, unless countries which individually account for less than 3 per cent of the imports of the like product in the importing Party collectively account for more than 7 per cent of imports of the like product in the importing Party.

21. For the purposes of anti-dumping and countervailing duty investigations, the term "domestic industry" shall be interpreted as referring to the domestic producers as a whole of the like products or to those of them whose collective output of the products constitutes a major proportion of the total domestic production of those products, except that:

(a) when producers are related[28] to the exporters or importers or are themselves importers of the allegedly dumped or subsidized product, the term "domestic industry" may be interpreted as referring to the rest of the producers;

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[28] For the purposes of this paragraph, producers shall be deemed to be related to exporters or importers only if *(a)* one of them directly or indirectly controls the other; or *(b)* both of them are directly or indirectly controlled by a third person; or *(c)* together they directly or indirectly control a third person, provided that there are grounds for believing or suspecting that the effect of the relationship is such as to cause the producer concerned to behave differently from non-related producers. For the purposes of subparagraph (a) of paragraph 21 of Article 3.2 of this Agreement, one shall be deemed to control another when the former is legally or operationally in a position to exercise restraint or direction over the latter.

(b) in exceptional circumstances the territory of a Party may, for the production in question, be divided into two or more competitive markets and the producers within each market may be regarded as a separate industry if *(a)* the producers within such market sell all or almost all of their production of the product in question in that market, and *(b)* the demand in that market is not to any substantial degree supplied by producers of the product in question located elsewhere in the territory. In such circumstances, injury may be found to exist even where a major portion of the total domestic industry is not injured, provided there is a concentration of dumped or subsidized imports into such an isolated market and provided further that the dumped or subsidized imports are causing injury to the producers of all or almost all of the production within such market.

22. No product imported from one Party into the territory of the other Party shall be subject to both anti-dumping and countervailing measures to compensate for the same situation of dumping or subsidization.

23. A Party shall not apply an anti-dumping measure or countervailing measure on the imports from the other Party unless it determines in the course of the investigation that the effect of the dumping (for the purposes of anti-dumping measures) or a specific subsidy (for the purposes of countervailing measures) is such as to cause or threaten to cause material injury to its domestic industry or is such as to retard materially the establishment of a domestic industry. A determination of injury shall be based on positive evidence and involve an objective examination of both *(a)* the volume of the dumped imports (for the purpose of anti-dumping investigation) or the subsidized imports (for the purpose of countervailing duty investigation) and the effect of these imports on prices in the domestic market for like products, and *(b)* the consequent impact of these imports on domestic producers of such products. With regard to the volume of the dumped (for the purpose of anti-dumping investigation) or the subsidized (for the purpose of countervailing duty investigation) imports, the investigating authorities shall consider whether there has been a significant increase in dumped (for the purpose of anti-dumping investigation) or subsidized (for the purpose of countervailing duty investigation) imports, either in absolute terms or relative to production or consumption in the importing Party. With regard to the effect of the dumped (for the purpose of anti-dumping investigation) or the subsidized (for the purpose of countervailing duty investigation) imports on prices, the investigating authorities shall consider whether there has been a significant price undercutting by the dumped (for the purpose of anti-dumping investigation) or the subsidized (for the purpose of countervailing duty investigation) imports as compared

with the price of a like product of the importing Party, or whether the effect of such imports is otherwise to depress prices to a significant degree or prevent price increases, which otherwise would have occurred, to a significant degree. The examination of the impact of the dumped imports (for the purpose of anti-dumping investigation) or the subsidized imports (for the purpose of countervailing duty investigation) on the domestic industry concerned shall include an evaluation of all relevant economic factors and indices having a bearing on the state of the industry, including actual and potential decline in sales, profits, output, market share, productivity, return on investments, or utilization of capacity; factors affecting domestic prices; the magnitude of the margin of dumping (in case of anti-dumping investigation); actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital or investments. This list is not exhaustive, nor can one or several of these factors necessarily give decisive guidance. The demonstration of a causal relationship between the dumped imports (for the purpose of anti-dumping investigation) or the subsidized imports (for the purpose of countervailing duty investigation) and the injury to the domestic industry shall be based on an examination of all relevant evidence before the investigating authority. The investigating authority shall also examine any known factors other than the dumped imports (for the purpose of anti-dumping investigation) or the subsidized imports (for the purpose of countervailing duty investigation) which at the same time are injuring the domestic industry, and the injuries caused by these other factors must not be attributed to the dumped imports (for the purpose of anti-dumping investigation) or the subsidized imports (for the purpose of countervailing duty investigation). Factors which may be relevant in this respect include, *inter alia*, the volume and prices of imports not sold at dumping prices (for the purposes of anti-dumping investigation) or non-subsidized imports (for the purposes of countervailing duty investigation), contraction in demand or changes in the patterns of consumption, trade restrictive practices of and competition between the foreign and domestic producers, developments in technology and the export performance and productivity of the domestic industry. A determination of a threat of material injury shall be based on facts and not merely on allegation, conjecture or remote possibility. The change in circumstances which would create a situation in which the dumping (for the purpose of anti-dumping investigation) or the subsidy (for the purpose of countervailing duty investigation) would cause injury must be clearly foreseen and imminent. In making a determination regarding the existence of a threat of material injury, the investigating authorities should consider, *inter alia*, such factors as: (i) nature of the subsidy or subsidies in question

and the trade effects likely to arise therefrom (for the purpose of countervailing duty investigation); (ii) a significant rate of increase of dumped (for the purpose of anti-dumping investigation) or subsidized (for the purpose of countervailing duty investigation) imports into the domestic market indicating the likelihood of substantially increased importation; (iii) sufficient freely disposable, or an imminent, substantial increase in capacity of the exporter indicating the likelihood of substantially increased dumped (for the purpose of anti-dumping investigation) or subsidized (for the purpose of countervailing duty investigation) exports to the importing Party's market, taking into account the availability of other export markets to absorb any additional exports; (iv) whether imports are entering at prices that will have a significant depressing or suppressing effect on domestic prices, and would likely increase demand for further imports; and (v) inventories of the product being investigated. No one of these factors by itself can necessarily give decisive guidance but the totality of the factors considered must lead to the conclusion that further dumped (for the purpose of anti-dumping investigation) or subsidized (for the purpose of countervailing duty investigation) exports are imminent and that, unless protective action is taken, material injury would occur. With respect to cases where injury is threatened by dumped (for the purpose of anti-dumping investigation) or subsidized (for the purpose of countervailing duty investigation) imports, the application of anti-dumping and countervailing measures shall be considered and decided with special care.

24. Provisional measures may be applied only if: (i) an investigation has been initiated in accordance with the provisions of paragraphs 15-20 of this Article, a public notice has been given to that effect and interested parties have been given adequate opportunities to submit information and make comments; (ii) a preliminary affirmative determination has been made of dumping (for the purpose of anti-dumping investigation) or specific subsidy (for the purpose of countervailing duty investigation) and consequent injury to a domestic industry; and (iii) the investigating authorities concerned judge such measures necessary to prevent injury being caused during the investigation. Provisional measures shall not be applied sooner than 60 days from the date of initiation of the investigation. The application of provisional measures shall be limited to as short a period as possible, not exceeding 4 months or in case of an anti-dumping investigation, on decision of the authorities concerned, upon request by exporters representing a significant percentage of the trade involved, to a period not exceeding 6 months. When the investigating authority, in the course of an investigation, examines whether a duty lower than the margin of dumping

would be sufficient to remove injury, these periods may be 6 and 9 months, respectively.

25. Before the investigation a Party intending to initiate a countervailing duty investigation in relation to the imports from the other Party shall invite the other Party for consultations with the aim of clarifying the situation and arriving at a mutually agreed solution. Furthermore, throughout the period of investigation, the Party the products of which are the subject of the investigation shall be afforded a reasonable opportunity to continue consultations, with a view to clarifying the factual situation and to arriving at a mutually agreed solution. Without prejudice to the obligation to afford reasonable opportunity for consultation, these provisions regarding consultations are not intended to prevent the authorities of a Party from proceeding expeditiously with regard to initiating the investigation, reaching preliminary or final determinations, whether affirmative or negative, or from applying provisional or final measures, in accordance with the provisions of this Agreement. The Party which intends to initiate any countervailing duty investigation or is conducting such an investigation shall permit, upon request, the Party the products of which are subject to such investigation access to non-confidential evidence, including the non-confidential summary of confidential data being used for initiating or conducting the investigation.

26. The amount of an anti-dumping duty shall not exceed the margin of dumping. The investigating authorities shall, as a rule, where practicable, determine an individual margin of dumping for each known exporter or producer concerned of the product under investigation. A countervailing duty rate shall not exceed the amount of the specific subsidy of the exporting Party calculated in terms of subsidization per unit of the subsidized and exported product.

27. The investigating authorities shall review the need for the continued imposition of the duty, where warranted, on their own initiative or, provided that a reasonable period of time has elapsed since the imposition of the definitive anti-dumping (for the purpose of anti-dumping investigation) or countervailing (for the purpose of countervailing duty investigation) duty, upon request by any interested party which submits positive information substantiating the need for a review. Interested parties shall have the right to request the investigating authorities to examine whether the continued imposition of the duty is necessary to offset dumping (for the purpose of anti-dumping investigation) or subsidization (for the purpose of countervailing duty investigation), whether the injury would be likely to continue or recur if the duty were removed or varied, or both. The duration of an anti-dumping or countervailing measure shall not exceed 5 years

from the date of the application of such measure and shall remain in force only as long as and to the extent necessary to counteract dumping or subsidization which is causing injury. The duration of an anti-dumping or countervailing measure shall include the period of application of a provisional measure. The duration of an anti-dumping or countervailing measure may be extended for the period that shall not exceed 5 years from the date of the most recent review that has covered both dumping and injury (for the purpose of anti-dumping investigation) or both subsidization and injury (for the purpose of countervailing duty investigation), or from the date of the conclusion of an expiry review. The decision to extend anti-dumping or countervailing measures may be taken if the investigating authorities determine, in a review initiated before the date of termination of an anti-dumping or countervailing measures on their own initiative or upon a duly substantiated request made by or on behalf of the domestic industry within a reasonable period of time prior to that date, that the expiry of the duty would be likely to lead to continuation or recurrence of subsidization (for the purposes of countervailing duty investigations) or dumping (for the purposes of anti-dumping investigations) and injury. The provisions of this Article regarding evidence and procedure shall apply to any review carried out under this Article. Any such review shall be carried out expeditiously and shall normally be concluded within 12 months of the date of initiation of the review.

28. A Party conducting the investigation shall provide an opportunity for interested parties to present evidence and their views, including the opportunity to respond to the representations of other interested parties. A Party conducting the investigation shall, on request, provide opportunities for all interested parties to meet those parties with adverse interests, so that opposing views may be presented and rebuttal arguments offered. A Party conducting the investigation shall send a notice to interested parties specifying the time and location of such meetings, as well as a list of questions to be discussed in the course of meetings.

29. All interested parties in an investigation shall be given notice of the information which the authorities require and ample opportunity to present in writing all evidence which they consider relevant in respect of the investigation in question. Exporters, foreign producers or interested authorities of the exporting Party receiving questionnaires used in the investigation shall be given at least 30 days for reply. Due consideration should be given to any request for an extension of the 30-day period and, upon cause shown, such an extension should be granted whenever practicable. Subject to the requirement to protect confidential information, evidence presented in writing by one interested party shall be made available promptly

to other interested parties participating in the investigation. As soon as an investigation has been initiated, the authorities shall provide the full text of the written application received to the known exporters and to the authorities of the exporting Party and shall make it available, upon request, to other interested parties involved. Due regard shall be paid to the requirement for the protection of confidential information, as provided for in paragraph 30 of this Article. The investigating authorities shall take due account of any difficulties experienced by interested parties, in particular small companies, in supplying information requested, and shall provide any assistance practicable.

30. Any information which is by nature confidential (for example, because its disclosure would be of significant competitive advantage to a competitor or because its disclosure would have a significantly adverse effect upon a person supplying the information or upon a person from whom that person acquired the information), or which is provided on a confidential basis by parties to an investigation, shall, upon good cause shown, be treated as such by the Parties. Such information shall not be disclosed or transmitted to third parties without specific permission in writing of the party submitting confidential information. The Parties conducting the investigation shall require interested parties providing confidential information to furnish non-confidential summaries thereof. These summaries shall be in sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence. In exceptional circumstances, such parties may indicate that such information is not susceptible of summary. In such exceptional circumstances, a statement of the reasons why summarization is not possible must be provided.

31. A Party conducting the investigation shall give to all interested parties public notice of the initiation of an investigation, of any preliminary or final determination, whether affirmative or negative, of any decision to accept prices undertakings, of the termination of such undertakings, and of the termination of a definitive anti-dumping duty.

32. A Party intending to apply an anti-dumping or countervailing measure shall, before a final determination is made, inform all interested parties of the essential facts under consideration which form the basis for the decision whether to apply definitive measures. Such disclosure should take place in sufficient time for the parties to defend their interests.

33. A public notice of the initiation of an investigation shall contain, adequate information on the following:

(a) the date of initiation of the investigation;

(b) a precise description of the product subject to the investigation and its classification under the Harmonized System;

(c) the name of the exporting country or countries;

(d) the basis on which dumping (for the purpose of anti-dumping investigation) is alleged in the application or a description of a subsidy practice or practices to be investigated (for the purpose of countervailing duty investigations);

(e) a summary of the factors on which the allegation of injury is based;

(f) deadlines for interested parties to submit evidence, to comment and to respond to presentations of other interested parties;

(g) the address to which representations by the Party the products of which are the subject of the investigation and by its interested parties can be directed;

(h) the name, address and telephone number of the investigating authority.

34. The Parties shall provide to all interested parties public notice of any preliminary or final determination whether affirmative or negative through the publication of the separate report setting forth all preliminary and final findings and conclusions on all pertinent issues of fact and law.

35. Public notice of any preliminary determination shall, due regard being paid to the requirement for the protection of confidential information, include *inter alia*:

(a) precise description of the product subject to investigation;

(b) the grounds for the affirmative determination of dumped imports with indication of the margin of dumping and a description of the grounds for the methodology used (in case of anti-dumping investigation);

(c) the grounds for the affirmative determination of subsidized imports with a description of the existence of a subsidy and an indication of the calculated amount of subsidization per unit (in case of countervailing investigation);

(d) the grounds for the determination of material injury or threat thereof to a domestic industry or material retardation of the establishment of a domestic industry;

(e) the grounds for the establishment of a causal relationship between the dumped (for the purpose of anti-dumping investigation) or the subsidized (for the purpose of countervailing duty investigation) imports, and material injury or threat thereof to a domestic industry or material retardation of the establishment of a domestic industry;

(f) an indication of the reasons for the consideration that provisional measures are necessary to prevent injury being caused during the investigation.

36. Public notice of any final determination shall, due regard being paid to the requirement for the protection of confidential information, include *inter alia*:

(a) an explanation for the final determination on the results of the investigation made by the investigating authority;

(b) a reference to the facts on the basis of which such determination was made;

(c) the information specified in paragraph 35 of this Article;

(d) the reasons for the acceptance or rejection of arguments and requests of the exporters and importers of the product subject to investigation.

37. A Party may apply an anti-circumvention measure to imports of a product sold by producers or exporters from another Party only following an anti-circumvention review conducted by the Party's investigating authority.

38. An anti-circumvention measure may not be applied to imports of a product sold by producers or exporters from another Party unless the investigating authority demonstrates the existence of circumvention based on positive evidence.

Article 3.3
Global Safeguards

1. Each Party shall apply safeguard measures in accordance with its legislation, except as otherwise provided for in this Chapter.

2. A Party may apply a global safeguard measure to a product only if that Party has determined that such product is being imported into its territory in such increased quantities, absolute or relative to domestic production, and under such conditions as to cause or threaten to cause serious injury to the domestic industry that produces like or directly competitive products.

3. In determining injury or threat thereof, a "domestic industry" shall be understood to mean the producers as a whole of the like or directly competitive products operating within the territory of a Party, or those whose collective output of the like or directly competitive products constitutes a major proportion of the total domestic production of those products.

4. Global safeguard measures shall be applied to a product being imported irrespective of the exporting country. Notwithstanding Articles 2.7 and 2.3 of this Agreement, a global safeguard measure may take the form of a quantitative restriction. If a quantitative restriction is used, such a measure shall not reduce the quantity of imports below the level of a recent period which shall be the average of imports in the last 3 representative years for which statistics are available, unless clear justification is given that a different level is necessary to prevent or remedy serious injury. In cases in which a quota is

allocated among supplying countries, the Party applying the global safeguard measure may seek agreement with respect to the allocation of shares in the quota with the other Party having a substantial interest in supplying the product concerned. In cases in which this method is not reasonably practicable, the Party concerned shall allot to the other Party having a substantial interest in supplying the product shares based upon the proportions, supplied by that Party during a previous 3 year period, of the total quantity or value of imports of the product, due account being taken of any special factors which may have affected or may be affecting the trade in the product. In case I.R. Iran intends to apply a global safeguard measure in the form of quota and allocate it among supplying countries, such quota shall be calculated and applied individually with respect to each EAEU Member State. The Parties shall apply safeguard measures only to the extent necessary to prevent or remedy serious injury and to facilitate adjustment.

5. A Party shall apply safeguard measures only for such period of time as may be necessary to prevent or remedy serious injury and to facilitate adjustment. The period of application of a safeguard measure shall not exceed 4 years, unless it is extended. The total period of application of a safeguard measure including the period of application of any provisional measure, the period of initial application and any extension thereof, shall be established in accordance with the Party's legislation and shall not exceed 10 years. This period may be extended provided that the investigating authorities of the importing Party have determined that the safeguard measure continues to be necessary to prevent or remedy serious injury and that there is evidence that the industry is adjusting, and provided that the pertinent provisions of paragraphs 11-15 of this Article are observed.

6. Serious injury shall be understood to mean a significant overall impairment in the position of a domestic industry. Threat of serious injury shall be understood to mean serious injury that is clearly imminent. A determination of the existence of a threat of serious injury shall be based on facts and not merely on allegation, conjecture or remote possibility. In the investigation to determine whether increased imports have caused or are threatening to cause serious injury to a domestic industry, the investigating authorities shall evaluate all relevant factors of an objective and quantifiable nature having a bearing on the situation of that industry, in particular, the rate and amount of the increase in imports of the product concerned in absolute and relative terms, the share of the domestic market taken by increased imports, changes in the level of sales, production, productivity, capacity utilization, profits and losses, and employment. This determination shall not be made unless this investigation demonstrates, on the basis of objective evidence, the existence of the causal link between increased imports of the product

concerned and serious injury or threat thereof. When factors other than increased imports are causing injury to the domestic industry at the same time, such injury shall not be attributed to increased imports.

7. In order to facilitate adjustment in a situation where the expected duration of a safeguard measure is over one year, the Party applying the measure shall progressively liberalize it at regular intervals during the period of application. If the duration of the measure exceeds 3 years, the Party applying such a measure shall review the situation not later than the mid-term of the measure and, if appropriate, withdraw it or increase the pace of liberalization. A measure extended under paragraph 5 of this Article shall not be more restrictive than it was at the end of the initial period and should continue to be liberalized.

8. The Parties may apply a safeguard measure only following an investigation by the investigating authority. The investigation shall include public notice to all interested parties and shall provide an opportunity for interested parties to present evidence and their views, including the opportunity to respond to the representations of other parties, *inter alia*, as to whether or not the application of a safeguard measure would be in the public interest. The investigating authority shall publish report setting forth the findings and conclusions on all pertinent issues of fact and law.

9. In critical circumstances where delay would cause damage which it would be difficult to repair, a Party may take a provisional safeguard measure pursuant to a preliminary determination that there is clear evidence that increased imports have caused or are threatening to cause serious injury. The duration of the provisional measure shall not exceed 200 days. Such measures should take the form of tariff increases to be promptly refunded if the subsequent investigation does not determine that increased imports have caused or threatened to cause serious injury to a domestic industry. The duration of any such provisional measure shall be counted as a part of the initial period and any extension referred to in paragraph 5 of this Article.

10. Any information which is by nature confidential or which is provided on a confidential basis shall, upon cause being shown, be treated as such by the investigating authorities. Such information shall not be disclosed without permission of the party submitting it. Parties providing confidential information may be requested to furnish non-confidential summaries thereof or, if such parties indicate that such information cannot be summarized, the reasons why a summary cannot be provided. However, if the investigating authorities find that a request for confidentiality is not warranted and if the party concerned is either unwilling to make the information public or to authorize its disclosure in generalized or summary form, the authorities

may disregard such information unless it can be demonstrated to their satisfaction from appropriate sources that the information is correct.

11. The Parties shall ensure equitable, transparent and effective procedures for safeguard investigations.

12. Each Party shall immediately notify the other Party upon:

(a) initiating a safeguard investigation;

(b) making preliminary and/or final finding of serious injury or threat thereof caused by increased imports;

(c) taking a decision to apply or extend a safeguard measure.

13. The information pertinent to initiation of a safeguard investigation shall include, *inter alia*:

(a) the date of initiation of the investigation;

(b) a precise description of the product subject to the investigation and its classification under the Harmonized System;

(c) the period subject to the investigation;

(d) an explanation of the reasons for initiation of the investigation;

(e) schedule of public hearings and/or the deadline for the request for hearings;

(f) deadlines for interested parties to submit evidence, to comment and to respond to presentations of other interested parties;

(g) the address where application and other documents related to the investigation can be directed;

(h) the name, address and telephone number of the investigating authority.

14. The Party intending to apply or extend a safeguard measure shall provide the other Party with all pertinent information, which shall include, *inter alia*:

(a) evidence of serious injury or threat thereof caused by increased imports;

(b) precise description of the product involved;

(c) precise description of the proposed safeguard measure;

(d) proposed date of introduction;

(e) expected duration and timetable for progressive liberalization;

(f) list of developing countries exempted from the safeguard measure (if applicable);

(g) evidence that the industry concerned is adjusting (in cases of extension of the measure);

(h) basis for determining that there are critical circumstances where delay would cause damage which would be difficult to repair (in case of provisional safeguard measures).

15. In applying global safeguard measures the Parties shall maintain the margin of preference granted pursuant to this Agreement.
16. The Parties shall provide opportunities for consultations with regard to application of safeguard measures.

Article 3.4
Bilateral Safeguard Measures

1. Where, as a result of the reduction or elimination of a customs duty under this Agreement, any originating good of a Party specified in Annex 1 to this Agreement is being imported into the territory of the other Party in such increased quantities, in absolute terms or relative to domestic production, and under such conditions as to constitute a substantial cause of serious injury or threat thereof to the domestic industry producing like or directly competitive goods in the territory of the importing Party, the importing Party may apply a bilateral safeguard measure to the extent necessary to remedy or prevent the serious injury or threat thereof, subject to the provisions of this Article.
2. A bilateral safeguard measure shall only be applied upon demonstrating clear evidence that increased imports constitute a substantial cause of serious injury or are threatening to cause serious injury.
3. A Party shall apply a bilateral safeguard measure only following a bilateral safeguard proceeding by the Party's investigating authority. A bilateral safeguard proceeding shall be concluded within 9 months.
4. A Party shall promptly notify the other Party in writing upon initiating a bilateral safeguard proceeding under this Article. Such notification shall include:

(a) a precise description of the originating good subject to the bilateral safeguard proceeding including its heading or subheading under the HS Code, on which the schedules of tariff commitments in Annex 1 are based;
(b) the date of initiation of the bilateral safeguard proceeding;
(c) the evidence used for initiation of the bilateral safeguard proceeding;
(d) the name, address and telephone number of the investigating authority.

5. The Party intending to apply a bilateral safeguard measure under this Article shall promptly, and in any case before applying a measure, notify the other Party. The notification shall contain all pertinent information, which shall include evidence of serious injury or threat thereof caused by increased imports of an originating good of another Party as a result of the reduction or elimination of a customs duty pursuant to this Agreement, a precise

description of the good concerned and the proposed measure, as well as the proposed date of introduction, form of the measure, expected duration and timetable for the progressive removal of the measure if relevant and the compensation offer in accordance with paragraph 6 of this Article.

6. The Party that may be affected by the measure shall be offered compensation in the form of substantially equivalent trade liberalization in relation to the imports from such Party. The Party shall, within 30 days from the date of notification referred to in paragraph 5 of this Article, examine the information provided in order to facilitate a mutually acceptable resolution of the matter and may provide its proposal regarding the compensation offer of the importing Party.

7. For the purposes of a mutually acceptable resolution of the matter the Parties may hold consultations and exchange views on the notification referred to in paragraph 5 of this Article.

8. In the absence of such resolution and after 60 days from the date of notification referred to in paragraph 5 of this Article, the importing Party may apply a bilateral safeguard measure to resolve the problem, and, in the absence of a mutually agreed compensation, the Party against whose good the bilateral safeguard measure is applied may take compensatory action.

9. The bilateral safeguard measure shall be promptly notified to the other Party. The Party applying the bilateral safeguard measure shall include in the notification on application of the bilateral safeguard measure:

(a) a precise description of the originating good subject to the bilateral safeguard measure including its heading or subheading under the HS Code, on which the schedules of tariff commitments in Annex 1 are based;

(b) findings and reasoned conclusions reached on all pertinent issues of fact and law;

(c) a precise description of the bilateral safeguard measure;

(d) the date of introduction of the bilateral safeguard measure and its expected duration;

(e) timetable for the progressive removal of the measure if relevant.

10. The compensatory action shall be promptly notified and shall normally consist of suspension of concessions having substantially equivalent trade effects and/or concessions substantially equivalent to the value of the additional duties expected to result from the bilateral safeguard measure. Compensatory action shall be taken only for the minimum period necessary to achieve the substantially equivalent trade effects and in any event, only while the bilateral safeguard measure under paragraph 11 of this Article is being applied.

11. If the conditions set out in paragraph 1 of this Article are met, the importing Party may apply a bilateral safeguard measure in the form of:

(a) increase of the applicable rate of customs duty for the good concerned to a necessary level not exceeding the most-favoured-nation applied rate of customs duty applied at the time the bilateral safeguard measure is taken, if the importing Party demonstrates that the increased imports constitute a substantial cause of serious injury to the domestic industry; or

(b) tariff rate quota for the good concerned, if the importing Party demonstrates that the increased imports are threatening to cause serious injury to the domestic industry.

For the purposes of this Article tariff rate quota means:

(a) the quantity of goods that is allowed to be imported under the preferential customs duty rate, provided for under this Agreement (in-quota quantity), at the time the bilateral safeguard measure is taken, and

(b) for the originating goods imported out of tariff rate quota the applicable rate of customs duty that is increased to the necessary level not exceeding most-favoured-nation applied rate of customs duty applied at the time the bilateral safeguard measure is taken.

In-quota quantity shall not reduce the quantity of imports of originating good concerned of a Party into the territory of the applying Party below the level of a recent period which shall be the average of the imports in the last 3 representative years for which statistics are available.

12. If I.R. Iran intends to apply a bilateral safeguard measure in the form of the tariff rate quota, the EAEU may request I.R. Iran to allocate individual quota for each EAEU Member State. In case where the EAEU made such a request, I.R. Iran shall allocate individual quotas in accordance with the EAEU's proposal on allocation. The EAEU's request and proposal on allocation shall be made within 60 days from the date of notification referred to in paragraph 5 of this Article.

13. A bilateral safeguard measure shall be taken for a period not exceeding one year. The period of application of a bilateral safeguard measure may be extended by up to another year if there is evidence that it is necessary to remedy or prevent serious injury or threat thereof and that the industry is adjusting. A Party shall not apply a bilateral safeguard measure again on the same good for the period of time equal to that during which such measure had been previously applied.

14. A Party shall notify the other Party in writing upon taking a decision to extend a bilateral safeguard measure. Such notification shall include information referred to in paragraph 9 of this Article as well as evidence that

the extension of a bilateral safeguard measure is necessary to remedy or prevent serious injury or threat thereof and that the industry is adjusting.

15. Upon the termination of the bilateral safeguard measure, the rate of customs duty shall be the rate which would have been in effect on the date of termination of the measure in accordance with Annex 1 to this Agreement.

16. Bilateral safeguard measures shall not be applied in the first 6 months after the entry into force of this Agreement.

17. With respect to bilateral trade neither Party shall apply, with respect to the same good, at the same time:

(a) a bilateral safeguard measure; and

(b) a safeguard measure in the understanding of Article 3.3 of this Agreement.

Article 3.5
Application of Anti-Dumping and Countervailing Measures

For the purposes of conducting anti-dumping and countervailing duty investigations and subsequent proceedings including anti-circumvention and any other reviews I.R. Iran shall consider the EAEU Member States individually and not as the EAEU as a whole and shall not apply anti-dumping and countervailing measures including anti-circumvention measures with respect to imports from the EAEU as a whole. If there are subsidies within the meaning of Article 3.2 of this Agreement granted at the level of the EAEU and provided for the producers from all EAEU Member States, I.R. Iran may consider the EAEU as a whole.

Article 3.6
Notifications

1. All official communications and documentation exchanged between the Parties with respect to matters covered by this Chapter shall take place between the competent authorities and investigating authorities of the Parties.

2. The Parties shall use the English language as a basis for communication with regard to all issues covered by this Chapter except documentation relating to anti-dumping, countervailing, global safeguards, bilateral safeguard proceedings and reviews.

3. The Parties shall exchange information on the names and contacts of the competent authorities and investigating authorities within 30 days from the date of entry into force of this Agreement. The Parties shall promptly notify each other of any change to the competent and investigating authorities in English.

Article 3.7
Cooperation and Consultations

1. The Parties shall seek to strengthen cooperation in the following fields:
   (a) communication channels with respect to trade remedies (including investigations);
   (b) cooperation and exchange of information between competent and investigating authorities of the Parties;
   (c) trade remedy laws and practice.

2. The Parties may consult on the issues covered by this Chapter. For this purpose a Party shall provide the other Party with a written request for consultations. The consultations shall take place as soon as possible, but not later than 30 days upon receipt of such a written request. Such consultations shall not prevent the Parties from initiating an anti-dumping, countervailing duty, global safeguard investigation or bilateral safeguard proceeding and shall not impede such investigation or proceeding.

CHAPTER 4. TECHNICAL BARRIERS TO TRADE

Article 4.1
Objectives

The objective of this Chapter is to facilitate trade in goods between the Parties by:

(a) promoting cooperation on adoption and application of standards, technical regulations and conformity assessment procedures in order to eliminate unnecessary technical barriers to trade;

(b) promoting mutual understanding of each Party's standards, technical regulations and conformity assessment procedures;

(c) strengthening information exchange between the Parties in relation to the preparation, adoption and application of standards, technical regulations and conformity assessment procedures;

(d) strengthening cooperation between the Parties in the work of international bodies related to standardization and conformity assessment;

(e) providing a framework to realize these objectives; and

(f) promoting cooperation on issues relating to technical barriers to trade.

Article 4.2
Scope

1. This Chapter shall apply to all standards, technical regulations and conformity assessment procedures of the Parties that may directly or indirectly affect the trade in goods between the Parties except:

(a) purchasing specifications prepared by governmental bodies for production or consumption requirements of governmental bodies; and

(b) sanitary or phytosanitary measures as defined in Chapter 5 of this Agreement.

2. All references in this Chapter to technical regulations, standards and conformity assessment procedures shall be construed to include any amendments thereto and any additions to the rules or the product coverage thereof, except amendments and additions of an insignificant nature.

3. In accordance with this Chapter each Party has the right to prepare, adopt and apply standards, technical regulations and conformity assessment procedures.

Article 4.3
Definitions

1. General terms for standardization and procedures for assessment of conformity shall normally have the meaning given to them by definitions adopted within the United Nations system and by international standardizing bodies taking into account their context and in the light of the object and purpose of this Chapter.

2. For the purposes of this Chapter:

(a) **"technical regulation"** means a document which lays down product characteristics or their related processes and production methods, including the applicable administrative provisions, with which compliance is mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method;

Explanatory note

The definition in ISO/IEC Guide 2 is not self-contained, but based on the so-called "building block" system.

(b) **"standard"** means a document approved by a recognized body, that provides, for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method;

Explanatory note

The terms as defined in ISO/IEC Guide 2 cover products, processes and services. This Chapter deals only with technical regulations, standards and conformity assessment procedures related to products or processes and production methods. Standards as defined by ISO/IEC Guide 2 may be mandatory or voluntary. For the purposes of this Chapter, standards are defined as voluntary and technical regulations as mandatory documents. Standards prepared by the international standardization community are based on consensus. This Chapter covers also documents that are not based on consensus.

(c) **"conformity assessment procedures"** means any procedure used, directly or indirectly, to determine that relevant requirements in technical regulations or standards are fulfilled.

Explanatory note

Conformity assessment procedures include, *inter alia*, procedures for sampling, testing and inspection; evaluation, verification

and assurance of conformity; registration, accreditation and approval as well as their combinations.

(d) **"central government body"** means central government, its ministries and departments or any body subject to the control of the central government in respect of the activity in question.

Article 4.4
Preparation, Adoption and Application of Technical Regulations and Conformity Assessment Procedures

1. Each Party shall ensure that in respect of technical regulations, products imported from the territory of the other Party shall be accorded treatment no less favourable than that accorded to like products of national origin and to like products originating in any other country.
2. Each Party shall ensure that technical regulations are not prepared, adopted or applied with a view to or with the effect of creating unnecessary obstacles to mutual trade. For this purpose, technical regulations shall not be more trade-restrictive than necessary to fulfil a legitimate objective, taking account of the risks non-fulfilment would create. Such legitimate objectives are, *inter alia*: national security requirements; the prevention of deceptive practices; protection of human health or safety, animal or plant life or health, or the environment. In assessing such risks, relevant elements of consideration are, *inter alia*: available scientific and technical information, related processing technology or intended end-uses of products.
3. Technical regulations shall not be maintained if the circumstances or objectives giving rise to their adoption no longer exist or if the changed circumstances or objectives can be addressed in a less trade-restrictive manner.
4. Where technical regulations are required and relevant international standards exist or their completion is imminent, the Parties shall use them, or the relevant parts of them, as a basis for their technical regulations except when such international standards or relevant parts would be an ineffective or inappropriate means for the fulfilment of the legitimate objectives pursued, for instance because of fundamental climatic or geographical factors or fundamental technological problems.
5. Each Party shall ensure that, in cases where a positive assurance of conformity with technical regulations or standards is required, their central government bodies apply the following provisions to products originating in the territory of the other Party:

(a) conformity assessment procedures are prepared, adopted and applied so as to grant access for suppliers of like products originating in the territory of the other Party under conditions no less favourable than

those accorded to suppliers of like products of national origin or originating in any other country, in a comparable situation; access entails suppliers' right to an assessment of conformity under the rules of the procedure, including, when foreseen by this procedure, the possibility to have conformity assessment activities undertaken at the site of facilities and to receive the mark of the system;

(b) conformity assessment procedures are not prepared, adopted or applied with a view to or with the effect of creating unnecessary obstacles to mutual trade. This means, *inter alia*, that conformity assessment procedures shall not be more strict or be applied more strictly than is necessary to give the importing Party adequate confidence that products conform with the applicable technical regulations or standards, taking account of the risks non-conformity would create.

6. When implementing the provisions of paragraph 5 of this Article, each Party shall ensure that:

(a) conformity assessment procedures are undertaken and completed as expeditiously as possible and in a no less favourable order for products originating in the territory of the other Party than for like domestic products;

(b) the standard processing period of each conformity assessment procedure is published or that the anticipated processing period is communicated to the applicant upon request; when receiving an application, the competent body promptly examines the completeness of the documentation and informs the applicant in a precise and complete manner of all deficiencies; the competent body transmits as soon as possible the results of the assessment in a precise and complete manner to the applicant so that corrective action may be taken if necessary; even when the application has deficiencies, the competent body proceeds as far as practicable with the conformity assessment if the applicant so requests; and that, upon request, the applicant is informed of the stage of the procedure, with any delay being explained;

(c) information requirements are limited to what is necessary to assess conformity and determine fees;

(d) the confidentiality of information about products originating in the territory of the other Party arising from or supplied in connection with such conformity assessment procedures is respected in the same way as for domestic products and in such a manner that legitimate commercial interests are protected;

(e) any fees imposed for assessing the conformity of products originating in the territory of the other Party are equitable in relation to any fees chargeable for assessing the conformity of like products

of national origin or originating in any other country, taking into account communication, transportation and other costs arising from differences between location of facilities of the applicant and the conformity assessment body;

(f) the siting of facilities used in conformity assessment procedures and the selection of samples are not such as to cause unnecessary inconvenience to applicants or their agents;

(g) whenever specifications of a product are changed subsequent to the determination of its conformity to the applicable technical regulations or standards, the conformity assessment procedure for the modified product is limited to what is necessary to determine whether adequate confidence exists that the product still meets the technical regulations or standards concerned;

(h) a procedure exists to review complaints concerning the operation of a conformity assessment procedure and to take corrective action when a complaint is justified.

7. Nothing in paragraphs 5 and 6 of this Article shall prevent the Parties from carrying out reasonable spot checks within their territories.

8. In cases where a positive assurance is required that products conform with technical regulations or standards, and relevant guides or recommendations issued by international standardizing bodies exist or their completion is imminent, the Parties shall ensure that central government bodies use them, or the relevant parts of them, as a basis for their conformity assessment procedures, except where, as duly explained upon request, such guides or recommendations or relevant parts are inappropriate for the Parties, for, *inter alia*, such reasons as: national security requirements; the prevention of deceptive practices; protection of human health or safety, animal or plant life or health, or the environment; fundamental climatic or other geographical factors; fundamental technological or infrastructural problems.

Article 4.5
Recognition of Conformity Assessment

1. Without prejudice to the provisions of paragraphs 3 and 4 of this Article, each Party shall ensure, whenever possible, that results of conformity assessment procedures in the other Party are accepted, even when those procedures differ from its own, provided it is satisfied that those procedures offer an assurance of conformity with applicable technical regulations or standards equivalent to its own procedures. It is recognized that prior consultations may be necessary in order to arrive at a mutually satisfactory understanding regarding, in particular:

(a) adequate and enduring technical competence of the relevant conformity assessment bodies in the exporting Party, so that confidence in the continued reliability of its conformity assessment results can exist; in this regard, verified compliance, for instance through accreditation, with relevant guides or recommendations issued by international standardizing bodies shall be taken into account as an indication of adequate technical competence;

(b) limitation of the acceptance of conformity assessment results to those produced by designated bodies in the exporting Party.

2. The Parties shall ensure that their conformity assessment procedures permit, as far as practicable, the implementation of the provisions in paragraph 1 of this Article.

3. The Party is encouraged, at the request of the other Party, to be willing to enter into negotiations for the conclusion of agreements for the mutual recognition of results of each other's conformity assessment procedures. The Parties may require that such agreements fulfil the criteria of paragraph 1 of this Article and give mutual satisfaction regarding their potential for facilitating trade in the products concerned.

4. Each Party is encouraged to permit participation of conformity assessment bodies located in the territory of the other Party in its conformity assessment procedures under conditions no less favourable than those accorded to bodies located within its territory or the territory of any third country.

Article 4.6
Transparency

1. The Parties acknowledge the importance of transparency with regard to the preparation, adoption and application of standards, technical regulations and conformity assessment procedures.

2. Each Party preparing, adopting or applying a technical regulation which may have a significant effect on trade of the other Party shall, upon the request of another Party, explain the justification for that technical regulation in terms of the provisions of paragraphs 2 to 4 of Article 4.4 of this Agreement. Whenever a technical regulation is prepared, adopted or applied for one of the legitimate objectives explicitly mentioned in paragraph 2 of Article 4.4 of this Agreement, and is in accordance with relevant international standards, it shall be rebuttably presumed not to create an unnecessary obstacle to mutual trade.

3. Wherever appropriate, the Parties shall specify technical regulations based on product requirements in terms of performance rather than design or descriptive characteristics.

4. Whenever a relevant international standard does not exist or the technical content of a proposed technical regulation is not in accordance with the technical content of relevant international standards, and if the technical regulation may have a significant effect on mutual trade of the Parties, each Party shall:

(a) publish a notice in a publication at an early appropriate stage, in such a manner as to enable interested persons in the other Party to become acquainted with it, that they propose to introduce a particular technical regulation;

(b) notify the other Party through the designated contact point of the products to be covered by the proposed technical regulation, together with a brief indication of its objective and rationale. Such notifications shall take place at an early appropriate stage, when amendments can still be introduced and comments taken into account;

(c) upon request, provide to the other Party particulars or copies of the proposed technical regulation and, whenever possible, identify the parts which in substance deviate from relevant international standards;

(d) without discrimination, allow 60 days following the publication of a notice envisaged in subparagraph (a) of this paragraph for the other Party to make comments in writing, discuss these comments upon request, and take these written comments and the results of these discussions into account.

5. Whenever a relevant guide or recommendation issued by an international standardizing body does not exist or the technical content of a proposed conformity assessment procedure is not in accordance with relevant guides and recommendations issued by international standardizing bodies, and if the conformity assessment procedure may have a significant effect on trade of the other Party, each Party shall:

(a) publish a notice in a publication at an early appropriate stage, in such a manner as to enable interested persons in other Parties to become acquainted with it, that they propose to introduce a particular conformity assessment procedure;

(b) notify other Parties through the designated contact point of the products to be covered by the proposed conformity assessment procedure, together with a brief indication of its objective and rationale. Such notifications shall take place at an early appropriate stage, when amendments can still be introduced and comments taken into account;

(c) upon request, provide to the other Party particulars or copies of the proposed procedure and, whenever possible, identify the parts which in substance deviate from relevant guides or recommendations issued by international standardizing bodies;

(d) without discrimination, allow 60 days following the publication of a notice envisaged in subparagraph (a) of this paragraph for the other Party to make comments in writing, discuss these comments upon request, and take these written comments and the results of these discussions into account.

6. Subject to the provisions in the lead-in to paragraphs 4-5 of this Article where urgent problems of safety, health, environmental protection or national security arise or threaten to arise for a Party, that Party may omit such of the steps enumerated in paragraph 4-5 of this Article as it finds necessary, provided that the Party, upon adoption of a technical regulation and/or conformity assessment procedure, shall:

(a) notify immediately the other Party through the Contact Points of the particular technical regulation and/or conformity assessment procedure and the products covered, with a brief indication of the objective and the rationale of the technical regulation and/or conformity assessment procedure, including the nature of the urgent problems;

(b) upon request, provide the other Party with copies of the technical regulation and/or conformity assessment procedure;

(c) without discrimination, allow the other Party to present its comments in writing, discuss these comments upon request, and take these written comments and the results of these discussions into account.

7. Each Party shall ensure that all technical regulations and/or conformity assessment procedures which have been adopted are published promptly or otherwise made available in such a manner as to enable interested persons in the other Party to become acquainted with them.

8. Except in those urgent circumstances, the Parties shall allow at least 180 days between the publication of technical regulations and their entry into force in order to allow time for producers in the exporting Party to adapt their products or methods of production to the requirements of the importing Party.

9. Except in those urgent circumstances, the Parties shall allow at least 180 days between the publication of requirements concerning conformity assessment procedures and their entry into force in order to allow time for producers in the exporting Party to adapt their products or methods of production to the requirements of the importing Party.

10. Each Party shall notify the other Party on mandatory requirements on import products within 90 days from the date of entry into force of this Agreement.
11. The Parties shall, to the fullest extent possible, endeavour to exchange information in English. Main laws and regulations or the summaries thereof shall, upon request, be provided in English.

Article 4.7
Consultations

1. Where the day to day application of standards, technical regulations and conformity assessment procedures is affecting trade between the Parties, a Party may request consultations aimed at resolving the matter. A request for consultations shall be directed to the other Party's contact point established in accordance with Article 4.9 of this Agreement.
2. Each Party shall make every effort to give prompt and positive consideration to any request from the other Party for consultations on issues relating to the implementation of this Chapter.
3. For the purpose of effective implementation and operation of this chapter, a working group on technical barriers to trade shall be established. The working group comprising representatives of the Parties shall report its findings to the Joint Committee. Where a matter covered under this Chapter cannot be clarified or resolved as a result of consultations, the Parties may refer to the working group on technical barriers to trade with a view to identifying a workable and practical solution that would facilitate trade.

Article 4.8
Cooperation

1. For the purposes of ensuring that standards, technical regulations and conformity assessment procedures do not create unnecessary obstacles to trade in goods between the Parties, the Parties shall, where possible, cooperate in the field of standards, technical regulations and conformity assessment procedures.
2. The cooperation pursuant to paragraph 1 of this Article may include the following:
   (a) holding joint seminars in order to enhance mutual understanding of standards, technical regulations and conformity assessment procedures in each Party;
   (b) exchanging officials of the Parties for training purposes;

(c) exchanging information on standards, technical regulations and conformity assessment procedures;

(d) encouraging the bodies responsible for standards, technical regulations and conformity assessment procedures in each Party to cooperate on matters of mutual interest;

(e) providing scientific and technical cooperation in order to improve the quality of technical regulations.

3. The implementation of paragraph 2 of this Article shall be subject to the availability of appropriated funds and the respective laws and regulations of each Party.

4. Cooperation on issues relating to technical barriers to trade may be undertaken, *inter alia*, through dialogue in appropriate channels, joint projects and technical assistance.

5. The Parties may conduct joint projects, technical assistance and cooperation on standards, technical regulations and conformity assessment procedures in selected areas, as mutually agreed.

6. The Parties undertake to exchange views on matters of market surveillance and enforcement activities in the field thereof relating to technical barriers to trade.

7. Upon request, a Party shall give appropriate consideration to proposals that the other Party makes for cooperation under this Chapter.

8. In order to promote cooperation in the framework of this Chapter, the Parties may conclude arrangements on the matters covered therein.

Article 4.9
Competent Authorities and Contact Points

1. The Parties shall designate competent authorities and contact points and exchange information containing the names of the designated competent authorities and contact points, contact details of relevant officials in such competent authorities and contact points, including telephone and facsimile numbers, email addresses and other relevant details.

2. The Parties shall promptly notify each other of any change to their competent authorities and contact points or amendment to the information of the relevant officials.

3. The contact points' functions shall include the following:

(a) facilitating the exchange of information between the Parties on standards, technical regulations and conformity assessment procedures in response to all reasonable requests for such information from a Party; and

(b) referring the enquiries from a Party to the appropriate regulatory authorities.

4. The competent authorities' functions shall include:

(a) monitoring the implementation of this Chapter;

(b) facilitating cooperation activities, as appropriate, in accordance with Article 4.8 of this Agreement;

(c) promptly addressing any issue that a Party raises related to the preparation, adoption, application or enforcement of standards, technical regulations and conformity assessment procedures;

(d) facilitating consultations on any matter arising under this Chapter upon request of a Party;

(e) taking any other action that the Parties consider will assist them in implementing this Chapter; and

(f) carrying out other functions as may be delegated by the Joint Committee.

CHAPTER 5. SANITARY AND PHYTOSANITARY MESURES

Article 5.1
Objectives

The objectives of this Chapter are to protect human, animal or plant life or health in the territories of the Parties while:

(a) seeking to resolve issues relating to sanitary and phytosanitary measures;

(b) strengthening cooperation between the Parties and among their competent authorities including in the development and application of sanitary and phytosanitary measures; and

(c) facilitating information exchange in the field of sanitary and phytosanitary measures and enhancing the knowledge and understanding of each Party's regulatory system.

Article 5.2
Definitions[29]

1. For the purposes of this Chapter:

(a) **"sanitary or phytosanitary measure"** means any measure applied:

i. to protect animal or plant life or health within the territory of the Party from risks arising from the entry, establishment or spread of pests, diseases, disease-carrying organisms or disease-causing organisms;

ii. to protect human or animal life or health within the territory of the Party from risks arising from additives, contaminants, toxins or disease-causing organisms in foods, beverages or feedstuffs;

iii. to protect human life or health within the territory of the Party from risks arising from diseases carried by animals, plants or products thereof, or from the entry, establishment or spread of pests; or

iv. to prevent or limit other damage within the territory of the Party from the entry, establishment or spread of pests.

Sanitary or phytosanitary measures include all relevant laws, decrees, regulations, requirements and procedures including, *inter alia*, end product criteria; processes and production methods; testing, inspection, certification and approval procedures; quarantine treatments including relevant

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[29] For the purposes of these definitions, "animal" includes fish and wild fauna; "plant" includes forests and wild flora; "pests" include weeds; and "contaminants" include pesticide and veterinary drug residues and extraneous matter.

requirements associated with the transport of animals or plants, or with the materials necessary for their survival during transport; provisions on relevant statistical methods, sampling procedures and methods of risk assessment; and packaging and labelling requirements directly related to food safety;

(b) **"pest- or disease-free area"** means an area, whether all of a Party, part of a Party, or all or parts of several Parties, as identified by the competent authorities, in which a specific pest or disease does not occur. A pest- or disease-free area may surround, be surrounded by, or be adjacent to an area — whether within part of a Party or in a geographic region which includes parts of or all of both Parties — in which a specific pest or disease is known to occur but is subject to regional control measures such as the establishment of protection, surveillance and buffer zones which will confine or eradicate the pest or disease in question;

(c) **"an area of low pest or disease prevalence"** means an area, whether all of a Party, part of a Party, or all or parts of both Parties, as identified by the competent authorities, in which a specific pest or disease occurs at low levels and which is subject to effective surveillance, control or eradication measures;

(d) **"sanitary and phytosanitary regulations"** means sanitary and phytosanitary measures such as laws, decrees or ordinances which are applicable generally.

2. The relevant definitions developed by the international organizations: the Codex Alimentarius Commission, the World Organization for Animal Health (hereinafter referred to as "OIE") and international and regional organizations operating within the framework of the International Plant Protection Convention (hereinafter referred to as "IPPC") shall apply in the implementation of this Chapter, *mutatis mutandis*.

3. International standards, guidelines and recommendations are the following:

(a) for food safety, the standards, guidelines and recommendations established by the Codex Alimentarius Commission relating to food additives, veterinary drug and pesticide residues, contaminants, methods of analysis and sampling, and codes and guidelines of hygienic practice;

(b) for animal health and zoonoses, the standards, guidelines and recommendations developed under the auspices of the OIE;

(c) for plant health, the international standards, guidelines and recommendations developed under the auspices of the Secretariat of the IPPC in cooperation with regional organizations operating within the framework of the IPPC; and

(d) for matters not covered by the above organizations, appropriate standards, guidelines and recommendations promulgated by other relevant international organizations open for partnership to all Parties.

4. Risk assessment is the evaluation of the likelihood of entry, establishment or spread of a pest or disease within the territory of an importing Party according to the sanitary or phytosanitary measures which might be applied, and of the associated potential biological and economic consequences; or the evaluation of the potential for adverse effects on human or animal health arising from the presence of additives, contaminants, toxins or disease-causing organisms in food, beverages or feedstuffs.

5. Appropriate level of sanitary or phytosanitary protection is the level of protection deemed appropriate by the Party establishing a sanitary or phytosanitary measure to protect human, animal or plant life or health within its territory. The Parties otherwise refer to this concept as the "acceptable level of risk".

Article 5.3
Scope

This Chapter shall apply to sanitary and phytosanitary measures of the Parties that may, directly or indirectly, affect trade between the Parties.

Article 5.4
General provisions

1. The Parties have the right to take sanitary and phytosanitary measures necessary for the protection of human, animal or plant life or health, provided that such measures are not inconsistent with the provisions of this Chapter.

2. The Parties shall ensure that:

(a) any sanitary or phytosanitary measure is applied only to the extent necessary to protect human, animal or plant life or health, based on scientific principles and not maintained without sufficient evidence, taking into account the availability of relevant scientific information and regional conditions;

(b) any sanitary or phytosanitary measures are based on an assessment, as appropriate to the circumstances, of the risks to human, animal or plant life or health, taking into account risk assessment techniques developed by the relevant international organizations;

(c) in cases where relevant scientific evidence is insufficient respective Parties provisionally adopt emergency sanitary or phytosanitary

measures on the basis of available pertinent information, including that from the relevant international organizations as well as from sanitary or phytosanitary measures applied by the other Parties. In such circumstances, the Parties shall seek to obtain the additional information necessary for a more objective assessment of risk and review the sanitary or phytosanitary measure accordingly within a reasonable period of time;

(d) their sanitary and phytosanitary measures do not arbitrarily or unjustifiably discriminate between the Parties where identical or similar conditions prevail, including between their own territory and that of the other Party.

3. Nothing in this Chapter shall affect the rights of the Parties under Chapter 4 of this Agreement with respect to measures not within the scope of this Chapter.

Article 5.5
Equivalence

1. The importing Party shall accept the sanitary or phytosanitary measures of the exporting Party as equivalent, even if these measures differ from its own or from those used by third countries trading in the same product, if the exporting Party objectively demonstrates to the importing Party that its measures achieve the importing Party's appropriate level of sanitary or phytosanitary protection. For this purpose, reasonable access shall be given, upon request, to the importing Party for inspection, testing and other relevant procedures.

2. The Parties shall, upon request, enter into consultations with the aim of achieving bilateral agreements on recognition of the equivalence of specified sanitary or phytosanitary measures.

Article 5.6
Transparency

1. The Parties acknowledge the importance of transparency in the application of sanitary and phytosanitary measures, including through, but not limited to, the exchange of information on their respective sanitary and phytosanitary measures in a timely manner.

2. The Parties shall ensure that sanitary and phytosanitary regulations which have been adopted are published on the websites of the Parties' competent authorities in such a manner as to enable interested Parties to become acquainted with them.

3. Each Party shall ensure that one contact point exists in each EAEU Member State, Eurasian Economic Commission and I.R. Iran, which is responsible for the provision of answers to all reasonable questions from interested Parties as well as for the provision of relevant documents regarding:

(a) any sanitary or phytosanitary regulations adopted or proposed within its territory;

(b) any control and inspection procedures, production and quarantine treatment, pesticide tolerance and food additive approval procedures, which are operated within its territory;

(c) risk assessment procedures, factors taken into consideration, as well as the determination of the appropriate level of sanitary or phytosanitary protection;

(d) the membership and participation of the Party, or of relevant bodies within its territory, in international and regional sanitary and phytosanitary organizations and systems, as well as in bilateral and multilateral agreements and arrangements within the scope of this Agreement, and the texts of such agreements and arrangements.

4. The Parties shall ensure that where copies of documents are requested by an interested Party, they are supplied at the same price (if any), apart from the cost of delivery, as to the nationals[30] of the Party concerned.

5. Whenever an international standard, guideline or recommendation does not exist or the content of a proposed sanitary or phytosanitary regulation is not substantially the same as the content of an international standard, guideline or recommendation, and if the regulation may have a significant effect on trade of the other Party or Parties, the Party should:

(a) provide the other Party through the contact points with a notice on such regulation;

(b) upon request, provide to the other Party particulars or copies of the proposed regulation and, whenever possible, identify the parts which in substance deviate from international standards, guidelines or recommendations;

(c) without discrimination, allow at least 60 days for the other Party to make comments in writing, discuss these comments upon request, and take the comments and the results of the discussions into account.

6. Except in urgent circumstances, the Parties shall allow reasonable time between the publication of sanitary or phytosanitary measure and its entry

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[30] When "nationals" are referred to in this Agreement, the term shall be deemed, in the case of a separate customs territories of the Parties, to mean persons, natural or legal, who are domiciled or who have a real and effective industrial or commercial establishment in that customs territory.

into force for the producers of the exporting Party to adapt to the requirements of the importing Party.

7. However, where urgent problems of health protection arise or threaten to arise for a Party, that Party may omit such of the steps enumerated in paragraph 6 of this Article as it finds necessary, provided that the Party:

(a) immediately notifies the other Party, through the Contact Points, of the particular regulation and the products covered, with a brief indication of the objective and the rationale of the regulation, including the nature of the urgent problem(s);

(b) provides, upon request, copies of the regulation to the other Parties;

(c) allows the other Parties to make comments in writing, discusses these comments upon request, and takes the comments and the results of the discussions into account.

8. The Parties shall provide each other with information on sanitary and phytosanitary measures in force or to be enforced within 90 days from the date of entry into force of this Agreement.

9. The Parties shall endeavour to exchange information in English.

10. Main laws and regulations or the summaries thereof shall, upon request, be provided in English.

Article 5.7
Adaptation to Regional Conditions

1. The Parties recognize the concept of adaptation to regional conditions, including pest- or disease-free areas and areas of low pest or disease prevalence, as an important means to facilitate trade.

2. When determining such areas, the Parties shall consider factors such as information of the Parties confirming the status of pest- or disease-free areas and areas of low pest or disease prevalence, the results of an audit, inspection monitoring, information provided by OIE and IPPC and other factors.

3. The exporting Party claiming that areas within its territory are pest- or disease-free areas or areas of low pest or disease prevalence shall provide the necessary evidence thereof in order to objectively demonstrate to the importing Party that such areas are, and are likely to remain, pest- or disease-free areas or areas of low pest or disease prevalence, respectively. For this purpose, reasonable access shall be given, upon request, to the importing Party for inspection, testing and other relevant procedures.

4. If the importing Party does not accept the evidence provided by the exporting Party, it shall explain the reasons and shall be ready to enter into technical consultations on this matter.

Article 5.8
Audit and Inspections

1. Each Party may carry out an audit and/or inspection in order to ensure the safety of the products (goods).
2. The Parties agree to enhance their cooperation in the field of audits and inspections.
3. In undertaking audits and/or inspections, each Party shall take into account relevant international standards, guidelines and recommendations.
4. The auditing or inspecting Party shall provide the audited or inspected Party the opportunities to comment on the findings of the audits and/or inspections.
5. Costs incurred by the auditing or inspecting Party shall be borne by the auditing or inspecting Party, unless both Parties agree otherwise.

Article 5.9
Documents Confirming Safety

1. The importing Party shall ensure the requirements of the documents for confirming safety of the products (goods) traded between the Parties are applied only to the extent necessary to protect human, animal or plant life or health.
2. The Parties shall take into account relevant international standards, guidelines and recommendations, when developing the documents for confirming safety of the products (goods), as appropriate.
3. The Parties may agree to develop bilateral documents for confirming safety of specific product (good) or groups of products (goods) traded between the Parties.
4. The Parties shall promote the use of electronic technologies in the documents for confirming safety of the products (goods) in order to facilitate trade.

Article 5.10
Provisional Emergency Measures

1. Where a Party adopts provisional emergency measures necessary to protect human, animal or plant life or health, referred to in paragraph 2(c) of Article 5.4 of this Agreement, such Party shall as soon as possible notify such measures to the other Party. The Party that adopted the emergency

measures shall take into consideration relevant information provided by the other Party.

2. Upon request of either Party, consultations of the relevant competent authorities regarding the emergency measures shall be held as soon as possible unless otherwise agreed by the Parties.

Article 5.11
Contact Points and Information Exchange

1. The Parties shall notify each other of the contact points for the provision of information in accordance with this Chapter and of their designated competent authorities responsible for matters covered by this Chapter and the areas of responsibility of such competent authorities.

2. The Parties shall inform each other of any change to their contact points or any significant change in the structure or competence of their competent authorities.

3. The Parties, through their contact points, shall provide each other in a timely manner with a written notification of:

(a) any significant food safety issue or change in animal or plant health, disease or pest status in their territories that affect trade among the Parties; and

(b) any change to the legal frameworks or other sanitary or phytosanitary measures.

4. The Parties, through their contact points, shall inform each other of systematic or significant cases of non-compliance of sanitary and phytosanitary measures and exchange relevant documents which confirm this non-compliance.

Article 5.12
Cooperation

1. The Parties agree to cooperate in order to facilitate the implementation of this Chapter.

2. The Parties shall explore opportunities for further cooperation, collaboration and information exchange on sanitary and phytosanitary matters of mutual interest consistent with the provisions of this Chapter. Such opportunities may include trade facilitation initiatives and technical assistance.

3. In order to promote cooperation within the framework of this Chapter, the Parties may conclude arrangements on sanitary and phytosanitary measures.

Article 5.13
Consultations

1. Where a Party considers that a sanitary or phytosanitary measure is affecting its trade with the other Party, it may, through the relevant contact points, request consultations with the aim of resolving the matter.
2. A Party shall hold consultations under the context of this Chapter within a period not exceeding 60 days, upon request of the other Party, with the aim of resolving matters arising under this Chapter. If the requesting Party considers the matter is urgent, it may request that consultations referred to in this paragraph shall take place within a shorter time frame and the other Party shall endeavour to enter in such consultations in proposed time frames.
3. For the purpose of effective implementation and operation of this chapter, a working group on sanitary and phytosanitary measures shall be established. The working group comprising representatives of the Parties shall report its findings to the Joint Committee.
4. Where a matter covered under this Chapter cannot be clarified or resolved as a result of consultations, the Parties may refer to the working group on sanitary and phytosanitary measures with a view to identifying a workable and practical solution that would facilitate trade.

Article 5.14
Trade Facilitation

Except as otherwise provided in this Chapter, an importing Party normally shall not suspend trade with the other Party on the basis of one consignment failing to conform to its SPS requirements.

CHAPTER 6. RULES OF ORIGIN

SECTION I. GENERAL PROVISIONS

Article 6.1
Scope

The Rules of Origin provided for in this Chapter shall be applied for the purposes of granting preferential tariff treatment in accordance with this Agreement.

Article 6.2
Definitions

For the purposes of this Chapter:

(a) **"aquaculture"** means farming of aquatic organisms including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from feedstock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding, or protection from predators;

(b) **"authorized body"** means the competent authority designated by a Party to issue Certificate of Origin under this Agreement;

(c) **"CIF value"** means the value of the goods imported, and includes the cost of freight and insurance up to the port or place of entry into the country of importation in accordance with the applicable and in force international commercial terms ("incoterms"), excluding internal taxes which may be repaid when the product is exported;

(d) **"consignment"** means goods that are sent simultaneously covered by one or more transport documents to the consignee from the exporter, as well as goods that are sent over a single post-invoice or transferred as a luggage of the person crossing the border;

(e) **"exporter"** means a seller of goods according to the foreign trade agreement (contract), consignor, supplier or producer of goods;

(f) **"EXW value"** means the price paid for a good to the producer in the Party where the last working or processing was carried out, in accordance with the applicable and in force international commercial terms ("incoterms"), excluding internal taxes which may be repaid when the product is exported;

(g) **"importer"** means a purchaser of goods according to the foreign trade agreement (contract) or consignee of goods;

(h) **"material"** means any matter or substance including ingredient, raw material, component or part used or consumed in the production of goods or physically incorporated into goods or subjected to a process in the production of other goods;

(i) **"non-originating goods"** or **"non-originating materials"** means goods or materials that do not fulfil the origin criteria of this Chapter;

(j) **"originating goods"** or **"originating materials"** means goods or materials that fulfil the origin criteria of this Chapter;

(k) **"producer"** means a person who carries out production in the territory of a Party;

(l) **"production"** means methods of obtaining goods including growing, mining, harvesting, raising, breeding, extracting, gathering, capturing, fishing, hunting, manufacturing, processing or assembling such goods;

(m) **"proof of origin"** means either Certificate of Origin or Declaration of Origin;

(n) **"verification authority"** means the competent governmental authority designated by a Party to conduct verification procedures.

Article 6.3
Origin Criteria

For the purposes of this Chapter goods shall be considered as originating in a Party if they are:

(a) wholly obtained or produced in such Party as provided for in Article 6.4 of this Agreement; or

(b) produced entirely in one or more Parties, exclusively from originating materials from one or more Parties; or

(c) produced in a Party using non-originating materials provided that value added content of the Party is not less than 50 percent of the EXW value, except for the cases that specific origin criterion for such goods set out in Annex 2 to this Agreement.

Article 6.4
Wholly Obtained or Produced Goods

For the purposes of Article 6.3 of this Agreement, the following goods shall be considered as wholly obtained or produced in a Party:

(a) plants and plant goods, including fruits, berries, flowers, vegetables, trees, seaweed, fungi and live plants, grown, harvested, or gathered in the territory of a Party;

(b) live animals born and raised in the territory of a Party;
(c) goods obtained from live animals in the territory of a Party;
(d) goods obtained from gathering, hunting, capturing, fishing, growing, raising, aquaculture in the territory of a Party;
(e) minerals and other naturally occurring substances extracted or taken from the air, soil, waters or seabed and subsoil in the territory of a Party;
(f) goods of sea fishing and other marine goods taken from the high seas, in accordance with international law, by a vessel registered or recorded in a Party and flying its flag;
(g) goods manufactured exclusively from goods referred to in subparagraph (f) of this Article, on board a factory ship registered or recorded in a Party and flying its flag;
(h) waste and scrap resulting from production and consumption conducted in the territory of a Party;
(i) used goods collected in the territory of a Party provided that such goods are fit only for the recovery of raw materials;
(j) goods produced in outer space on board a spacecraft provided that the same spacecraft is registered in a Party;
(k) goods produced or obtained in the territory of a Party solely from goods referred to in subparagraphs (a) through (j) of this Article.

Article 6.5
Value Added Content

1. For the purposes of this Chapter and product specific rules specified in Annex 2 to this Agreement the formula for calculating value added content (hereinafter referred to as "VAC") shall be:

$$\frac{\textbf{EXW value} - \textbf{Value of Non-Originating Materials}}{\textbf{EXW value}} \times 100\%$$

where the value of non-originating materials shall be:
(a) CIF value of the materials at the time of importation to a Party; or
(b) the earliest ascertained price paid or payable for non-originating materials in the territory of the Party where the working or processing takes place.

When, in the territory of a Party, the producer of the goods acquires non-originating materials within that Party, the value of such materials shall not include freight, insurance, packing costs and any other costs incidental

to the transport of those materials from the location of the supplier to the location of production.

2. Each Party shall provide that for non-originating materials, the cost of waste and spoilage resulting from the use of the materials in the production of the goods may be deducted from the value of the materials.

Article 6.6
Insufficient Working or Processing

1. The following operations undertaken exclusively by themselves or in combination with each other are considered to be insufficient to meet the requirements of Article 6.3 of this Agreement:

(a) preserving operations to ensure that a product retains its condition during transportation and storage;

(b) freezing or thawing;

(c) packaging and re-packaging;

(d) washing, cleaning, removing dust, oxide, oil, paint or other coverings;

(e) ironing or pressing of textiles;

(f) colouring, polishing, varnishing, oiling;

(g) husking, partial or total bleaching, polishing and glazing of cereals and rice;

(h) operations to colour sugar or form sugar lumps;

(i) peeling and removal of stones and shells from fruits, nuts and vegetables;

(j) sharpening, grinding;

(k) cutting;

(l) sifting, screening, sorting, classifying;

(m) placing in bottles, cans, flasks, bags, cases, boxes, fixing on surface and all other packaging operations;

(n) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;

(o) mixing of products (components) which does not lead to a sufficient difference of product from the original components;

(p) simple assembly of a product or disassembly of products into parts;

(q) slaughter of animals, sorting of meat.

2. For the purposes of paragraph 1 of this Article, "simple" describes activities which do not require special skills or machines, apparatus or equipment especially designed for carrying out such activities.

Article 6.7
Accumulation of Origin

Without prejudice to Article 6.3 of this Agreement, the goods or materials originating in a Party, which are used as material in the manufacture of a product in the other Party, shall be considered as originating in such Party where the last operations other than those referred to in paragraph 1 of Article 6.6 of this Agreement have been carried out. The origin of such material shall be confirmed by a Certificate of Origin (Form CT-3) (hereinafter referred to as "Certificate of Origin") issued by an authorized body.

Article 6.8
De Minimis

1. Goods that do not undergo a change in tariff classification pursuant to Annex 2 to this Agreement are nonetheless considered originating if:

   (a) the value of all non-originating materials that are used in the production of the goods and do not undergo the required change in tariff classification, does not exceed 5 percent of the EXW value of such goods and provided that such materials necessary for production of goods; and

   (b) the goods meet all other applicable requirements of this Chapter.

2. The value of materials referred to in subparagraph (a) of paragraph 1 of this Article shall be included in the value of non-originating materials for any applicable VAC requirement.

Article 6.9
Direct Consignment

1. Preferential tariff treatment in accordance with this Chapter shall be granted to originating goods provided that such goods are transported directly from the territory of the exporting Party to the territory of the importing Party.
2. Notwithstanding paragraph 1 of this Article, originating goods may be transported through territories of third countries, provided that:

   (a) transit through the territory of third countries is justified for geographical reasons or related exclusively to transport requirements;

   (b) the goods have not entered into trade or consumption there; and

   (c) the goods have not undergone any operation there other than unloading, reloading, storing, or any necessary operation designed to preserve their condition.

3. A declarant shall submit appropriate documentary evidence to the customs authorities of the importing Party confirming that the conditions set out in paragraph 2 of this Article have been fulfilled. Such evidence shall be provided to the customs authorities of the importing Party by submission of:

(a) transport documents covering the passage from the territory of one Party to the territory of the other Party containing:

i. an exact description of the goods;

ii. the dates of unloading and reloading of the goods (if the transport documents do not contain the dates of unloading and reloading of the goods, other supporting document containing such information shall be submitted in addition to transport documents) and;

iii. where applicable:

the names of the ships, or the other means of transport used;
the numbers of containers;
the conditions under which the goods remained in the third transit country in the proper condition;
the marks of the customs authorities of the country of transit;

(b) commercial invoice in respect of the goods.

4. A declarant may submit other supporting documents to prove that the requirements of paragraph 2 of this Article are fulfilled.

5. In the instance that the transport documents cannot be provided, a document issued by the customs authorities of the third transit country containing all the information referred to in subparagraph (a) of paragraph 3 of this Article shall be submitted.

6. If a declarant fails to provide the customs authorities of the importing Party with documentary evidence of direct consignment, preferential tariff treatment shall not be granted.

Article 6.10
Packaging Materials for Retail Sale

1. Packaging materials and containers in which goods are packaged for retail sale, if classified with the goods, shall be disregarded in determining whether all the non-originating materials used in the production of those goods have undergone the applicable change in tariff classification set out in Annex 2 to this Agreement.

2. Notwithstanding paragraph 1 of this Article in determining whether the goods fulfil the VAC requirement, the value of the packaging used for retail sale will be counted as originating or non-originating materials, as the case may be, in calculating the VAC of the goods.

Article 6.11
Packing Materials for Shipment

Packing materials and containers in which goods are packed exclusively for transport shall not be taken into account for the purposes of establishing whether the goods are originating.

Article 6.12
Accessories, Spare Parts, Tools and Instructional or Information Materials

1. In determining whether the goods fulfil the change in tariff classification requirements specified in Annex 2 to this Agreement, accessories, spare parts, tools and instructional or information materials, which are part of the normal equipment and included in its EXW value, and which are not separately invoiced, shall be considered as part of the goods in question and shall not be taken into account in determining whether the goods qualify as originating.
2. Notwithstanding paragraph 1 of this Article in determining whether the goods fulfil the VAC requirement, the value of accessories, spare parts, tools, instructional and information materials shall be taken into account as originating materials or non-originating materials, as the case may be, in calculating VAC of the goods.
3. This Article shall apply only where:
   (a) accessories, spare parts, tools, instructional or other information materials presented with the goods are not invoiced separately from the such goods; and
   (b) the quantities and value of accessories, spare parts, tools and instructional or other information materials presented with the goods are customary for such goods.

Article 6.13
Sets

Sets, as defined in General Rule 3 of the interpretation of the Harmonized System, shall be regarded as originating when all component goods 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 value of the non-originating goods does not exceed 15 percent of the EXW value of the set.

Article 6.14
Neutral Elements

In order to determine whether goods are originating, the origin of the following neutral elements which might be used in its manufacture and not incorporated in it shall not be taken into account:

(a) fuel and energy;

(b) tools, dies and moulds;

(c) spare parts and materials used in the maintenance of equipment and buildings;

(d) lubricants, greases, compounding materials and other materials used in the production or used to operate equipment and buildings;

(e) gloves, glasses, footwear, clothing, safety equipment;

(f) equipment, devices used for testing or inspecting the goods;

(g) catalyst and solvent; and

(h) any other goods that are not incorporated into such goods but the use of which in the production of such goods can be demonstrated to be a part of that production.

SECTION II. DOCUMENTARY PROOF OF ORIGIN

Article 6.15
Claim for Preferential Tariff Treatment

1. Goods originating in a Party shall, on importation into another Party, benefit from the preferential tariff treatment upon submission of one of the following proofs of origin:

(a) a Certificate of Origin issued in accordance with this Chapter. The Certificate of Origin submitted to the customs authorities of the importing Party shall be original, valid, duly completed and issued in conformity with the format set out in Annex 3 to this Agreement except for the cases provided for in Article 6.28 of this Agreement;

(b) a Declaration of Origin issued in accordance with Article 6.17 of this Agreement.

2. The proof of origin shall be valid for a period of 12 months from the date of issuance and must be submitted to the customs authorities of the importing Party within that period but not later than the moment of the submission of the customs declaration, except in circumstances stipulated in paragraph 3 of this Article.

3. If the importer is not in possession of a proof of origin at the time of importation, the importing Party shall impose the applied MFN customs duty or require payment of a deposit on the imported goods, where applicable. In such a case the importer may make a claim for preferential tariff treatment and refund of any excess import customs duty or deposit paid within 12 months from the time of registration of customs declaration in accordance with respective laws and regulations of the importing Party provided that all requirements of Article 6.23 of this Agreement have been met.

Article 6.16
Circumstances When the Proof of Origin is not Required

The proof of origin is not required in order to obtain preferential tariff treatment for importation of originating goods where the customs value does not exceed the amount of 200 Euro or the equivalent amount in the importing Party's currency, provided that the importation does not form part of one or more consignments that may reasonably be considered to have been undertaken or arranged for the purposes of avoiding the submission of the proof of origin.

Article 6.17
Declaration of Origin

1. A Declaration of Origin as referred to in paragraph 1 of Article 6.15 of this Agreement may be made out by producer or exporter for any consignment containing originating goods the customs value of which does not exceed 5000 Euro or the equivalent amount in the importing Party's currency.
Parties shall ensure that such importation does not form part of one or more consignments that may reasonably be considered to have been undertaken or arranged with a view to avoid the submission of the Certificate of Origin.
2. A Declaration of Origin is a statement on origin made by producer or exporter on any commercial documents related to the goods and must be in accordance with the template in Annex 4 to this Agreement.
3. Declarations of Origin shall be printed and shall bear the signature of the producer or exporter and shall be in English.
4. Declaration of Origin shall cover the originating goods under one consignment and shall remain valid for 12 months from the date it was made.
The actual weight of declared importing goods shall not exceed 5 percent of the weight specified in the commercial document containing the Declaration of Origin.
5. Where the customs authorities of the importing Party have a reasonable doubt about the authenticity of a Declaration of Origin and/or the compliance of the goods with the origin criteria, they may request a Certificate of Origin to be presented.

Article 6.18
Issuance of the Certificate of Origin

1. The producer, or exporter of the goods, or its authorized representative shall apply to an authorized body for a Certificate of Origin in writing or by electronic means if applicable.
2. The Certificate of Origin shall be issued by the authorized body to the producer or exporter of the exporting Party or its authorized representative prior to or at the time of exportation whenever the goods to be exported can be considered originating in a Party within the meaning of this Chapter.
3. The authorized body of the exporting Party shall ensure that Certificates of Origin are duly completed in accordance with the requirements set out in Annex 3 to this Agreement.
4. The Certificate of Origin shall cover the goods under one consignment.

5. Each Certificate of Origin shall bear a unique reference number separately given by the authorized body.
6. If all of the goods covered by the Certificate of Origin cannot be listed on one page, additional sheets, as set out in Annex 3 to this Agreement, shall be used.
7. The Certificate of Origin shall comprise one original and two copies.
8. The copy shall be retained by the authorized body in the exporting Party. Another copy shall be retained by the exporter.
9. Without prejudice to paragraph 2 of this Article, in exceptional cases, where a Certificate of Origin has not been issued prior to or at the time of exportation it may be issued retroactively and shall be marked "ISSUED RETROACTIVELY" or "ISSUED RETROSPECTIVELY".
10. The submitted original Certificate of Origin shall be kept at the customs authorities of the importing Party except in circumstances stipulated in its respective domestic laws and regulations.

Article 6.19
Minor Discrepancies

1. Where the origin of the goods is not in doubt, the discovery of minor discrepancies between the information in the proof of origin and in the documents submitted to the customs authorities of the importing Party shall not, of themselves, invalidate the proof of origin, if such information in fact corresponds to the goods submitted.
2. For multiple goods declared under the same proof of origin, a problem encountered with one of the goods listed shall not affect or delay the granting of preferential tariff treatment for the remaining goods covered by the proof of origin.

Article 6.20
Specific Cases of Issuance of the Certificate of Origin

1. In the event of theft, loss or destruction of a Certificate of Origin, the producer, exporter or its authorized representative may apply to the authorized body specifying the reasons for such application for a certified duplicate of the original Certificate of Origin. The duplicate shall be made on the basis of the previously issued Certificate of Origin and supporting documents. A certified duplicate shall bear the words "DUPLICATE OF THE CERTIFICATE OF ORIGIN NUMBER_DATE_". The certified duplicate of a Certificate of Origin shall be valid no longer than 12 months from the date of issuance of the original Certificate of Origin.

2. Due to accidental errors or omissions made in the Certificate of Origin, the authorized body shall issue the Certificate of Origin in substitution for the previously issued Certificate of Origin. In this instance, the Certificate of Origin shall bear the words: "ISSUED IN SUBSTITUTION FOR THE CERTIFICATE OF ORIGIN NUMBER___DATE___". Such Certificate of Origin shall be valid no longer than 12 months from the date of its issuance.

Article 6.21
Alterations in the Certificate of Origin

Neither erasures nor superimpositions shall be allowed on the Certificate of Origin. Any alteration shall be made by striking out the erroneous data and printing any additional information required. Such alteration shall be approved by a person authorized to sign the Certificate of Origin and certified by an official seal of the appropriate authorized body.

Article 6.22
Record-keeping Requirements

1. The producer or exporter applying for the issuance of a Certificate of Origin shall keep all records and copies of documents submitted to the authorized body for the period of no less than 3 years from the date of issuance of the Certificate of Origin.
2. An importer who has been granted preferential tariff treatment must keep the copy of proof of origin, based on the date when the preferential tariff treatment was granted, for the period of no less than 3 years.
3. The application for Certificate of Origin and all documents related to such application shall be retained by the authorized body for the period of no less than 3 years from the date of issuance of the Certificate of Origin.
4. A producer or exporter making out a Declaration of Origin shall keep all records and copies of documents proving the origin of the goods concerned for a period of no less than 3 years from the date of issuance of the Declaration of Origin.

SECTION III. PREFERENTIAL TARIFF TREATMENT

Article 6.23
Granting Preferential Tariff Treatment

1. Preferential tariff treatment under this Agreement shall be applied to originating goods that satisfy the requirements of this Chapter.
2. Customs authorities of the importing Party shall grant preferential tariff treatment to originating goods of the exporting Party provided that:
   (a) importing goods satisfy the origin criteria referred to in Article 6.3 of this Agreement;
   (b) the declarant demonstrates compliance with the requirements of this Chapter;
   (c) the origin of goods confirmed by proof of origin in accordance with requirements provided for in this Chapter.
3. Notwithstanding paragraph 2 of this Article, where the customs authorities of the importing Party have a reasonable doubt as to the origin of the goods for which preferential tariff treatment is claimed and/or to the authenticity of the submitted proof of origin such customs authorities may suspend or deny the application of preferential tariff treatment to such goods. However, the goods can be released in accordance with the requirements of such Party's respective laws and regulations.

Article 6.24
Denial of Preferential Tariff Treatment

1. Where the goods do not meet the requirements of this Chapter or where the importer or exporter fails to comply with the requirements of this Chapter, the customs authorities of the importing Party may deny preferential tariff treatment and recover unpaid customs duties in accordance with its respective laws and regulations.
2. The customs authorities of the importing Party may deny preferential tariff treatment if:
   (a) the goods do not meet the requirements of this Chapter to consider them as originating in the exporting Party; and/or
   (b) the other requirements of this Chapter are not met, including:
      i. the requirements of Article 6.9 of this Agreement;
      ii. the submitted proof of origin has not been duly completed as specified in Annexes 3 or 4 to this Agreement;

(c) the verification procedures undertaken under Article 6.29 of this Agreement are unable to establish the origin of the goods or indicate the inconsistency of the origin criteria;

(d) the verification authority or authorized body of the exporting Party has confirmed that the Certificate of Origin had not been issued (i.e. forged) or had been annulled (withdrawn);

(e) the customs authority of the importing Party receives no reply within a maximum of 6 months after the date of a verification request made to the verification authority or authorized body of the exporting Party, or if the response to the request does not contain sufficient information to conclude whether the goods originate in a Party;

(f) information contained in the original Certificate of Origin or its copy does not correspond to the information in the web-database, referred to in Article 6.28 of this Agreement, on the date of registration of the customs declaration;

(g) the Certificate of Origin was not submitted upon the request of the customs authority of the importing Party in cases, provided for in paragraph 5 of Article 6.17 and in paragraphs 7 and 12 of Article 6.28 of this Agreement.

3. Where the importing Party determines through verification procedures that an exporter or producer has engaged in providing false and/or incomplete information for the purposes of obtaining Certificates of Origin, customs authorities of the importing Party may deny preferential tariff treatment to identical goods covered by Certificates of Origin issued to that exporter or producer in accordance with the respective domestic laws and regulations.

4. In cases as set out in subparagraph (b) of paragraph 2 of this Article customs authorities of the importing Party are not required to make a verification request, as provided for in Article 6.29 of this Agreement, to the verification authority or authorized body for the purposes of making decisions on denial of preferential tariff treatment.

SECTION IV. ADMINISTRATIVE COOPERATION

Article 6.25
Administrative Cooperation Language

Any notification or communication under this Section shall be conducted between the Parties through the relevant authorities in English.

Article 6.26
Authorized Body and Verification Authority

From the date of entry into force of this Agreement, each Government of the Parties shall designate or maintain an authorized body and a verification authority.

Article 6.27
Notifications

1. Prior to the issuance of any Certificates of Origin under this Agreement by the authorized body, each Party shall provide each other, through the Ministry of Industry, Mine and Trade of I.R. Iran and the Eurasian Economic Commission, respectively, with the names and addresses of each authorized body and verification authority, along with original and legible specimen impressions of their stamps, sample of the Certificate of Origin to be used and data on the security features of the Certificate of Origin.
2. I.R. Iran shall provide the Eurasian Economic Commission with the original information referred to in paragraph 1 of this Article in sextuple. The Eurasian Economic Commission may request I.R. Iran to provide additional sets of such information.
3. I.R. Iran and the Eurasian Economic Commission shall publish through the Internet the information on the names and addresses of the authorized body and verification authority of each Party.
4. Any change to the information stipulated above shall be notified by the authorities referred to in paragraph 1 of this Article, in advance and in the same manner.
5. All the information provided according to the paragraph 1 of this Article shall be applied from the date of receiving an original hard copy with such information by the Ministry of Industry, Mine and Trade of I.R. Iran or the Eurasian Economic Commission, respectively.
6. The Parties shall provide each other, through the Ministry of Industry, Mine and Trade of I.R. Iran or the Eurasian Economic Commission,

respectively, with contact e-mail addresses of the bodies involved in verification procedures.

Article 6.28
Use of Web-Databases. Development and Implementation of Electronic Origin Verification System

1. In order to simplify the procedures for obtaining the preferential tariff treatment, the Parties can use via Internet secure databases of the authorized bodies that contain information on issued Certificates of Origin and enable customs authorities of the importing Party to verify the authenticity of any issued Certificate of Origin (hereinafter referred to as "web-databases").
2. The web-databases shall meet the following requirements:
   i. completeness, relevance and reliability of the information contained;
   ii. data protection of the information contained from unauthorized access, destruction, modification or any other illegal actions;
   iii. proper around the clock functioning;
   iv. entering the information on the Certificate of Origin into the web-database no later than 1 day after the date of its issuance;
   v. storage of information on the issued Certificates of Origin within the period set out in paragraph 3 of Article 6.22 of this Agreement;
   vi. possibility of saving (printing) information contained in the web-database by the customs authorities of the importing Party.
3. The data from the Certificate of Origin entered into the web-database shall be identical to those contained in such Certificate of Origin issued in accordance with Annex 3 to this Agreement, except for signatures and stamps.
4. When the interested authorized bodies adopt the web-databases or the Electronic Origin Verification System is implemented, referred to in paragraph 9 of this Article (hereinafter referred to as "the EOVS"), Certificates of Origin may be issued electronically without being made in original paper format (hereinafter referred to as "electronic Certificate of Origin").
5. If the Parties use the web-databases, the original Certificate of Origin shall not be required by the customs authority of the importing Party. In this case, a copy of the Certificate of Origin (hard or soft copy) or the electronic Certificate of Origin is enough for the granting of tariff preferences.

6. Notwithstanding paragraph 5 of this Article, within 6 months from the date of entry into force of this Agreement the original Certificate of Origin is required to be submitted to the customs authorities of the Parties for granting preferential tariff treatment to originating goods.

7. If information on the Certificate of Origin is not available in the web-database on the date of registration of the customs declaration, the customs authority of importing Party shall require the submission of the original Certificate of Origin, unless the Certificate of Origin is issued electronically as provided for in paragraph 4 of this Article.

8. Prior to the web-databases implementation, the Parties shall provide each other, through the Ministry of Industry, Mine and Trade of I.R. Iran and the Eurasian Economic Commission, respectively, with the electronic addresses of the web-databases and information about requirements to access such web-databases (user names, passwords, if any).

9. With the view of further development of paperless trade, the Parties shall endeavour, no later than 5 years from the date of entry into force of this Agreement, to develop and support the EOVS based on an electronic data exchange concept.

10. The EOVS provides to the customs authorities of the importing Party the possibility to receive through the electronic data transmission the information from the Certificates of Origin issued by the authorised bodies of the exporting Party.

11. If the Parties implement the EOVS, the original Certificate of Origin, its copy or electronic Certificate of Origin shall not be required by the customs authority of the importing Party. In such case, the date and number of such Certificate of Origin shall be specified in the customs declaration.
Nevertheless the original Certificate of Origin shall be issued by the authorized bodies, unless Certificate of Origin is issued electronically as provided for in paragraph 4 of this Article.

12. If information on the Certificate of Origin is not accessible in the EOVS on the date of registration of the customs declaration, the customs authority of importing Party shall require the submission of copy of the Certificate of Origin and verify its authenticity using the web-database. If the authorized body does not have the web-database, original Certificate of Origin shall be submitted, unless Certificate of Origin is issued only electronically as provided for in paragraph 4 of this Article.

13. All the requirements and specifications for the application of the EOVS shall be set out in separate Protocol.

Article 6.29
Verification of Origin

1. Where the customs authorities of the importing Party have a reasonable doubt about the authenticity of proof of origin and/or the compliance of the goods, covered by the proof of origin, with the origin criteria, pursuant to Article 6.3 of this Agreement, and in the case of a random check, they may send a request to the verification authority or authorized body of the exporting Party to confirm the authenticity of the proof of origin and/or the compliance of the goods with the origin criteria and/or to provide, if requested, documentary evidence from the exporter and/or the producer of the goods.
2. All verification requests shall be accompanied by sufficient information to identify the concerned goods. A request to the verification authority or authorized body of the exporting Party shall be accompanied by a copy of the proof of origin and shall specify the circumstances and reasons for the request.
3. A copy of the verification request, and its accompanying documents, as well as the verification response to such a request, are transmitted electronically between the customs authority of the importing Party and the verification authority or authorized body of the exporting Party, via the contact addresses referred to in paragraph 6 of Article 6.27 of this Agreement.
4. The recipient of a request under paragraph 1 of this Article shall respond to the requesting customs authorities of the importing Party within 6 months after the date of such verification request.
5. In response to a request under paragraph 1 of this Article verification authority or authorized body of the exporting Party shall clearly indicate whether the proof of origin is authentic and/or whether the goods can be considered as originating in such Party including by providing requested documentary evidence received from the exporter and/or producer. Before the response to the verification request, paragraph 3 of Article 6.23 of this Agreement may be applied. The customs duties paid shall be refunded if the received results of the verification process confirm and clearly indicate that the goods qualify as originating and all other requirements of this Chapter are met.

Article 6.30
Confidentiality

All information provided pursuant to this Chapter shall be treated by the Parties as confidential in accordance with their respective laws and regulations. It shall not be disclosed without the written permission of the person or authority of the Party providing it except to the extent that it may be required to be disclosed in the context of judicial proceedings.

Article 6.31
Penalties or Other Measures Against Fraudulent Acts

Each Party shall provide for criminal or administrative penalties for violations of its respective laws and regulations related to this Chapter.

Article 6.32
Subcommittee on Rules of Origin

1. For the purposes of effective implementation and operation of this Chapter, a Subcommittee on Rules of Origin (hereinafter referred to as "the ROO subcommittee") shall be established.
2. The ROO subcommittee shall have the following functions:
   (a) reviewing and making appropriate recommendations to the Joint Committee and the Goods Committee on:
      i. transposition of Annex 2 to this Agreement that is in the nomenclature of the revised HS following periodic amendments of the HS. Such transposition shall be carried out without impairing the existing commitments and shall be completed in a timely manner.
      ii. implementation and operation of this Chapter, including proposals for establishing implementing arrangements;
      iii. failure to fulfil the obligations by the Parties, as determined in this Section;
      iv. technical amendments to this Chapter;
      v. disputes arising between the Parties during the implementation of this Chapter;
      vi. any amendment to the provisions of this Chapter and to the Annexes 2, 3 and 4 to this Agreement;
   (b) considering any other matter proposed by a Party related to this Chapter;

(c) reporting the findings of the ROO subcommittee to the Committee on Trade in Goods; and

(d) performing other functions as may be delegated by the Joint Committee pursuant to Article 1.5 of this Agreement.

3. The ROO subcommittee shall be composed of the representatives of the Parties, and may invite representatives of other entities of the Parties with necessary expertise relevant to the issues to be discussed, upon mutual agreement of the Parties.

4. The ROO subcommittee shall meet at such time and venue as may be agreed by the Parties but not less than once a year.

5. A provisional agenda for each meeting shall be forwarded to the Parties, as a general rule, no later than 1 month before the meeting.

Article 6.33
Goods in Transportation or Storage

Originating goods which are in the process of transportation from the exporting Party to the importing Party, or which are in temporary storage under customs control in the importing Party for a period not exceeding 6 months before the entry into force of this Agreement, shall be granted preferential tariff treatment if they are imported into the importing Party on or after the date of entry into force of this Agreement, provided that all requirements of Article 6.23 of this Agreement have been met and subject to the respective laws and regulations of the importing Party.

CHAPTER 7. TRADE FACILITATION AND CUSTOMS COOPERATION

Article 7.1
Scope

This Chapter shall apply to customs administration measures and performance of customs operations required for the release of goods traded between the Parties, in order to promote:

(a) transparency of customs procedures and customs formalities;

(b) trade facilitation and harmonization of customs operations;

(c) customs cooperation including exchange of information between central customs authorities of the Parties.

Article 7.2
Definitions

For the purposes of this Chapter:

(a) **"central customs authority"** means the highest authorized customs authority of each of the EAEU Member States or I.R. Iran exercising, in accordance with the respective domestic laws and regulations, the functions of implementing the relevant government policies, regulations, control and supervision in the customs sphere;

(b) **"customs administration"** means organizational and management activities of the customs authorities of a Party as well as the activities carried out within the regulatory framework while implementing the objectives in the customs sphere;

(c) **"customs laws and regulations"** means any norm and regulation enforced by the customs authorities of a Party including laws, rulings, decrees, writs, rules and others;

(d) **"express consignments"** means goods delivered through high-speed transportation systems by any type of transport, using an electronic information management system and tracking the movement in order to deliver the goods to the recipient in accordance with an individual invoice for the minimum possible or a fixed period of time, except for goods sent by international post;

(e) **"inward processing"** means the customs procedure under which foreign goods can be brought into the customs territory of a Party conditionally relieved from payment of customs duties and taxes on the basis that such goods are intended for processing or repair and subsequent exportation from the customs territory of such Party within a specified period of time;

(f) **"outward processing"** means the customs procedure under which goods, which are in free circulation in the customs territory of a Party, may be temporarily exported for manufacturing, processing or repair abroad and then re-imported;

(g) **"temporary admission"** means the customs procedure under which foreign goods can be brought into the customs territory of a Party conditionally relieved totally or partially from payment of customs duties and taxes on the basis that such goods shall be re-exported within a specified period of time in accordance with the customs laws and regulations of such Party.

Article 7.3
Facilitation of Customs Administration Measures

1. Each Party shall ensure that the customs administration measures applied by its customs authorities are predictable, consistent and transparent.
2. Customs administration measures of each Party shall, where possible and to the extent permitted by its customs laws and regulations, be based on the standards and recommended practices of the World Customs Organization.
3. The central customs authorities of each Party shall endeavour to review their customs administration measures with a view to simplifying such measures in order to facilitate trade.

Article 7.4
Mutual Recognition of Authorized Economic Operator

1. The Parties shall endeavour to establish or maintain in their respective laws and regulations the programme of Authorized Economic Operators (AEO).

2. In order to facilitate the performance of customs procedures, the Parties, to the extent possible, shall work toward mutual recognition of respective AEO programmes. The Parties shall endeavour to enter into negotiations on mutual recognition of their respective AEO programmes as soon as the Parties are ready to commence work leading to such agreement.

Article7.5
Release of Goods

1. Each Party shall adopt or maintain the performance of customs procedures and operations for the efficient release of goods in order to facilitate trade between the Parties. This shall not require a Party to release goods where its requirements for the release of such goods have not been met.
2. Pursuant to paragraph 1 of this Article and to the extent possible, each Party should:

(a) provide for the release of goods within a period of time no longer than 48 hours from the registration of a customs declaration except in the circumstances stipulated in the customs laws and regulations of the Parties;

(b) endeavour to adopt or maintain electronic submission and processing of customs information in advance of arrival of the goods to expedite the release of goods upon arrival.

3. In case where the time period for the release of goods is extended by the customs authority of the importing Party in accordance with the customs laws and regulations of the Party, the respective customs authority should inform the declarant about the reasons and legal grounds for such extension.

Article 7.6
Pre-arrival Processing

1. Each Party shall adopt or maintain procedures allowing for the submission of import documentation and other required information, including manifests, in order to begin processing prior to the arrival of goods with a view to expediting the release of goods upon arrival.
2. Each Party shall, as appropriate, provide for advance lodging of documents in electronic format for pre-arrival processing of such documents.

Article 7.7
Requirements for the Supporting Documents including Documents Attached to the Customs Declaration

1. Each Party shall, where appropriate, endeavour to accept paper or electronic copies of supporting documents including documents attached to the customs declaration required for import, export or transit formalities.
2. Where a government agency of a Party already holds the original of such a document, any other agency of that Party shall accept a paper or electronic copy, where applicable, from the agency holding the original in lieu of the original document.
3. A Party shall not require an original or copy of export declarations submitted to the customs authorities of the exporting Party as a requirement for importation[31].

Article 7.8
Risk Management

Customs authorities of the Parties shall apply a risk management system by means of a systematic assessment of risks to focus inspections on high-risk goods and simplify the application of customs operations on low-risk goods.

Article 7.9
Customs Cooperation

1. With a view to facilitate the effective operation of this Agreement, central customs authorities of the Parties shall encourage cooperation with each other on key customs issues that affect goods traded between the Parties.
2. Where a central customs authority of a Party in accordance with such Party's respective laws and regulations has a reasonable suspicion of an unlawful activity, such central customs authority may request the central customs authority of the other Party to provide specific information normally collected in connection with the exportation and/or importation of goods.

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[31] Nothing in this paragraph precludes a Party from requiring documents such as certificates, permits or licenses as a requirement for the importation of controlled or regulated goods.

3. A Party's request under paragraph 2 of this Article shall be in writing, specifying the purpose for which the information is sought and shall be accompanied by sufficient information to identify the concerned goods.
4. The requested Party under paragraph 2 of this Article shall provide a written response containing the requested information within 2 months from the date of receipt, if providing of such requested information does not contradict with the laws and regulations of the requested Party. In case of impossibility of providing full or partial response within the prescribed period of time the requested Party shall inform the requesting Party of the expected term for providing such information.
5. The central customs authority of the requested Party shall endeavour to provide any other information to the central customs authority of the requesting Party that would assist such central customs authority in determining whether imports from or exports to the requesting Party are in compliance with such Party's respective laws and regulations.
6. The central customs authorities of the Parties shall endeavour to establish and maintain channels of communication for customs cooperation, including establishing contact points that will facilitate the rapid and secure exchange of information and improve coordination on customs issues.

Article 7.10
Information Exchange

1. In order to facilitate the performance of customs operations, to expedite the release of goods and to prevent violations of customs laws and regulations, the Parties, to the extent possible, shall create and implement electronic information exchange on a regular basis covering all goods traded among the Parties, between them (hereinafter referred to as "electronic information exchange") provided that all information security measures are ensured.
2. On behalf of the EAEU the Eurasian Economic Commission shall coordinate the creation and facilitate the operation of the electronic information exchange.
3. For the purposes of this Article, "information" means relevant and authentic data from customs declarations and transport documents.
4. For the purposes of paragraph 1 of this Article the Eurasian Economic Commission, the authorized bodies of the EAEU Member States

and of I.R. Iran shall endeavour to develop the cooperation and continue consultations in order to develop electronic information exchange.

5. All the requirements and specifications for the operation of electronic information exchange as well as the specific content of information to be exchanged shall be defined in separate protocol between the authorized bodies of the EAEU Member States and of I.R. Iran. Such information shall be sufficient for identification of transported goods and performance of the efficient customs control.

6. Any information communicated in accordance with the provisions of this Article shall be treated as confidential and shall be used for customs purposes only.

7. The customs authorities of the EAEU Member States and I.R. Iran shall refuse to exchange of information if such information exchange may be detrimental to the national security.

Article 7.11
Border Agency Cooperation

Each Party shall ensure that its authorities and agencies responsible for the border controls and procedures dealing with the importation, exportation and transit of goods cooperate with one another and coordinate their activities in order to facilitate trade and to reduce burdensome administrative procedures.

Article 7.12
Publication

1. The Parties shall, to the extent possible, endeavour to publish the customs laws and regulations of general application in English. Summaries of by-laws and regulations effected the trade shall, upon request, be provided in English without prejudice to national legislation of a requested Party.

2. Within 8 months from the date of entry into force of this Agreement the competent authorities of each Party shall designate or maintain one or more enquiry points to process enquiries from interested persons concerning customs issues, and shall publish on the Internet information concerning such enquiry points.

3. The competent authorities of each Party shall exchange contact information of the designated enquiry points. Enquiry point of each Party upon request of the competent authorities of the other Party provide to the extent possible information in English related to its laws and regulations relevant to the operation of this Agreement on the following issues:

(a) existing non-tariff measures including imports end export bans and restrictions;

(b) the application of refund or waive customs duties, deferral of customs duties, fees and taxes;

(c) the application of technical barriers and sanitary and phytosanitary requirements that affect the customs clearance of goods;

(d) the requirements for qualifying for tariff rate quotas;

(e) country of origin marking, if it is requested for importation; and

(f) other matters as the Parties may decide in accordance with the Parties laws and regulations.

4. To the extent possible, each Party shall publish in advance its laws and regulations of general application governing customs issues that it proposes to adopt and shall provide interested persons an opportunity to comment before adopting such laws and regulations.

Article 7.13
Advance Rulings

1. Customs authorities of the Parties shall provide any applicant registered in the importing Party in writing with advance rulings in respect of tariff classification, origin of goods and any additional matter which a Party considers appropriate.

2. Each Party shall adopt or maintain procedures for advance rulings, which shall:

(a) provide that the applicant may apply for an advance ruling before the importation of goods;

(b) require that the applicant for an advance ruling provides a detailed description of the goods and all relevant information needed to process an advance ruling;

(c) provide that its customs authority may, within 30 days from the date of application, request that the applicant provides additional information;

(d) provide that any advance ruling be based on the facts and circumstances presented by the applicant and any other relevant information available to its customs authority;

(e) provide that an advance ruling be issued to the applicant expeditiously, or in any case within 90 days from the date of the application excluding time period for the submission of all necessary additional information requested in accordance with subparagraph (c) of this paragraph.

3. A customs authority of a Party may reject requests for an advance ruling where the additional information requested by it in accordance with subparagraph (c) of paragraph 2 of this Article is not provided within the specified period of time.

4. An advance ruling shall be valid for at least one year from the date of its issuance unless the law, facts, or circumstances supporting that ruling have changed.

5. A customs authority of a Party may modify or revoke an advance ruling:

(a) upon a determination that the advance ruling was based on false or inaccurate information;

(b) if there is a change in the customs laws and regulations consistent with this Agreement; or

(c) if there is a change in a material fact, or circumstances on which the advance ruling is based.

6. A Party may decline to issue an advance ruling to the applicant where the question raised in the application:

(a) is already pending in the applicant's case before any governmental agency, appellate tribunal, or court; or

(b) has already been decided by any appellate tribunal or court.

Article 7.14
Customs Valuation

The customs value of goods traded between the Parties shall be determined in accordance with the customs laws and regulations of the importing Party which are based *inter alia* on the provisions stipulated in Annex 5 to this Agreement.

Article 7.15
Tariff Classification

The Parties shall apply nomenclatures of goods based on the current edition of the Harmonized System to goods traded between them.

Article 7.16
Transit of Goods

1. Each Party shall endeavour to facilitate the customs operations applied to goods in transit from (to) a Party to (from) any third party.
2. The Parties may mutually recognize identification tools and documents applied by the Parties required for the control of goods and vessels as well as other means of transport in transit.

Article 7.17
Express Consignments

1. Customs authorities of the Parties shall provide expedited customs clearance for express consignments while maintaining appropriate customs control.
2. Each Party shall adopt or maintain facilitated procedures for express consignments. These procedures shall:

(a) provide for information necessary to release an express consignment to be submitted and processed before the shipment arrives;

(b) allow a single submission of information covering all goods contained in an express consignment, such as a manifest, through, if possible, electronic means;

(c) to the extent possible, provide for the release of certain goods with a minimum of documentation;

(d) under normal circumstances, provide for express consignments to be released within the shortest possible time after submission of the necessary customs documents, provided the shipment has arrived;

(e) apply to shipments of any weight or value recognizing that a Party may require formal entry procedures as a condition for release, including declaration and supporting documentation and payment of customs duties, based on the good's weight or value.

Article 7.18
Perishable Goods

With a view to preventing avoidable loss or deterioration of perishable goods, and provided all regulatory requirements of a Party have been met, each Party shall provide for the release of perishable goods in an expedited manner.

Article 7.19
Temporary Admission of Goods, Inward and Outward Processing

In accordance with international standards customs authorities of the Parties shall endeavour to facilitate the performance of customs operations for the customs procedure for temporary admission of goods and goods temporary imported and exported for inward or outward processing.

Article 7.20
Preshipment Inspection

1. Preshipment inspection activities are all activities relating to the verification of the quality, the quantity, the price, including currency exchange rate and financial terms of goods to be exported to the territory of the Party.
2. The Parties shall not require the use of pre-shipment inspections in relation to tariff classification and customs valuation.
3. Without prejudice to the rights of the Parties to use other types of preshipment inspection not covered by paragraph 2 of this Article the Parties are encouraged not to introduce or apply new requirements regarding preshipment inspection and, to the extent possible, eliminate existing requirements in order to facilitate trade between the Parties.

Article 7.21
Customs Agents

The customs laws and regulations of each Party shall enable declarants to submit their customs declaration without requiring mandatory recourse to the services of customs agents.

Article 7.22
Automation

1. The customs authorities of the Parties shall, to the extent possible, ensure that customs operations may be performed with the use of information systems and information technologies, including those based on electronic means of communication provided that all information security measures are ensured.
2. The central customs authorities of the Parties shall, to the extent possible, provide declarants an opportunity to declare goods in electronic form and make electronic systems accessible to customs users.

Article 7.23
Confidentiality

All information provided in accordance with this Chapter, excluding statistics, shall be treated by the Parties as confidential in accordance with the respective laws and regulations of the Parties. It shall not be disclosed by the authorities of the Parties without the written permission of the person or authority of the Party providing such information except to the extent that it may be required to be disclosed in the context of judicial proceedings.

Article 7.24
Review and Appeal

Each Party shall ensure the possibility of administrative review of customs decisions affecting rights of interested person and judicial appeal against such decisions in accordance with the laws and regulations of such Party.

Article 7.25
Penalties

1. Each Party shall adopt or maintain measures that allow for the imposition of administrative penalties for violations of its customs laws and regulations during importation and exportation, including provisions on tariff classification, customs valuation, determination of country of origin and obtaining preferential tariff treatment under this Agreement.

2. Each Party shall ensure that penalties for a breach of a customs law, regulation, or procedural requirement are imposed only on the person(s) responsible for the breach under its laws.

3. The penalty imposed shall depend on the facts and circumstances of the case and shall be commensurate with the degree and severity of the breach.

4. Each Party shall ensure that it maintains measures to avoid:

(a) conflicts of interest in the assessment and collection of penalties and duties; and

(b) creating an incentive for the assessment or collection of a penalty that is inconsistent with paragraph 3 of this Article.

5. Each Party shall ensure that when a penalty is imposed for a breach of customs laws, regulations, or procedural requirements, an explanation in writing is provided to the person(s) upon whom the penalty is imposed specifying the nature of the breach and the applicable law, regulation or procedure under which the amount or range of penalty for the breach has been prescribed.

6. When a person voluntarily discloses to a Parties' customs administration the circumstances of a breach of a customs law, regulation, or procedural requirement prior to the discovery of the breach by the customs administration, the Party is encouraged to, where appropriate, consider this fact as a potential mitigating factor when establishing a penalty for that person.

Article 7.26
Special Transitional Period for I.R. Iran

The EAEU Member States and the EAEU shall refrain from raising any claims under Article 7.6 of this Agreement for the period of 12 months from the date of entry into force of this Agreement.

CHAPTER 8. DISPUTE SETTLEMENT

Article 8.1
Objectives

The objective of this Chapter is to provide for an effective and transparent process for the settlement of the disputes arising under this Agreement to arrive at, where possible, a mutually acceptable solution.

Article 8.2
Definitions

For the purposes of this Chapter:

(a) **"Complainant"** means a disputing Party to have filed a request for dispute settlement proceedings under Articles 8.5, 8.6 and 8.7 of this Agreement;

(b) **"disputing Parties"** means the complaining Party (Complainant) and the responding Party (Respondent). The EAEU Member States and the EAEU may act jointly or individually as a disputing Party. In the latter case, if a measure is taken by the EAEU, it shall be a disputing Party, and if a measure is taken by a EAEU Member State, the concerned State shall be a disputing Party;

(c) **"notification"** means an official document with information on ongoing events and procedures, which shall be sent by the Parties in cases provided for in this Chapter;

(d) **"Respondent"** means a disputing Party to have received a request for dispute settlement proceedings under Articles 8.5, 8.6 and 8.7 of this Agreement.

Article 8.3
Scope and Coverage

Except as otherwise explicitly provided for in this Agreement, the provisions of this Chapter shall apply to settlement of the disputes arising from the interpretation and/or application of this Agreement.

Article 8.4
Good Offices, Conciliation or Mediation

1. The disputing Parties may at any time agree to good offices, conciliation or mediation. Procedures for good offices, conciliation or mediation may begin

at any time and be terminated at any time upon the request by either disputing Party.

2. If the disputing Parties so agree, good offices, conciliation or mediation may continue while the proceedings of the Arbitral Panel provided for in this Chapter are in progress.

3. Proceedings involving good offices, conciliation and mediation, and in particular positions taken by the disputing Parties during those proceedings, shall be confidential and without prejudice to the rights of either disputing Party in any further proceeding.

Article 8.5
Consultations

1. Any Party may request consultations with any other Party with respect to any matter arising under this Agreement, which falls under the requirements of Article 8.3 of this Agreement. The Parties shall make every attempt to reach a mutually satisfactory solution through consultations for any matter raised in accordance with this Chapter.

2. A request for consultations shall be made in writing via the designated Contact Point under this Agreement as well as to the Joint Committee. The requesting Party shall circulate the request to the other Parties respectively via designated contact points. The request shall set out the reasons for it, including identification of any measure or other matter at issue and an indication of the legal basis for the request (relevant provisions of this Agreement).

3. Upon the receipt of the request for consultations the Respondent shall:

   (a) reply to the request in writing within 10 days from the date of the receipt by its contact point; and

   (b) enter into consultations in good faith within 30 days, or within 10 days in cases of urgency, including those concerning perishable goods, from the date of the receipt of the request with a view to reaching a prompt and mutually satisfactory solution of the matter.

4. Periods of time set in the paragraph 3 of this Article may be changed by mutual agreement of the disputing Parties.

5. The consultations shall be confidential and without prejudice to rights of either disputing Party in any further proceedings.

6. Consultations shall take place, unless otherwise agreed by the disputing Parties, on the territory of the Respondent. Consultations may be held fully or partially by means of remote communication, including, *inter alia*, video conference, upon mutual consent by the disputing Parties.

Article 8.6
Establishment of Arbitral Panel

1. The Complainant may request the establishment of an Arbitral Panel:
   (a) if the Respondent does not comply with the periods of time set in accordance with Article 8.5 of this Agreement; or
   (b) if the disputing Parties fail to settle the dispute through consultations within 60 days, or within 20 days in cases of urgency, including those concerning perishable goods, from the date of receipt of the request for such consultations.
2. The request for the establishment of an Arbitral Panel shall be made in writing by the Complainant to the Respondent via the designated Contact Point in accordance with this Agreement as well as to the Joint Committee. The notification on the request for the establishment of an Arbitral Panel shall be circulated to the other Parties by the Complainant in written form via the designated contact points. The request shall indicate whether the consultations were held, identify the specific measures at issue and provide a brief summary of the legal basis of the complaint sufficient to present the problem clearly.
3. The requirements and procedures specified in this Article may be changed by mutual agreement of the disputing Parties.

Article 8.7
Appointment of Arbitrators

1. The Arbitral Panel shall consist of three members.
2. Within 30 days from receipt of the request to establish an Arbitral Panel by the Respondent, each disputing Party shall appoint an arbitrator and notify the other disputing Party on such appointment in writing via designated contact points.
3. Within 15 days from the appointment of the second arbitrator, the appointed arbitrators shall choose the third arbitrator – the Chair of the Arbitral Panel – who shall not fall under any of the following criteria:
   (a) being a national of a EAEU Member State or I.R. Iran; or
   (b) having usual place of residence in the territory of a EAEU Member State or I.R. Iran; or
   (c) being a national of a state, which does not have diplomatic relations with any of the EAEU Member States or I.R. Iran.
4. If the third arbitrator has not been appointed within the period of time specified in paragraph 3 of this Article, the disputing Parties shall appoint

a third arbitrator to be the Chair of the Arbitral Panel by mutual consent within 30 days.

5. If the necessary appointments have not been made within the periods of time specified in paragraphs 2 and 4 of this Article, either disputing Party may, unless otherwise agreed by the disputing Parties, invite the President of the International Court of Justice (ICJ) to be the appointing authority.

In the event that the President of the International Court of Justice is a national of an EAEU Member State or I.R. Iran, the Vice-President of the International Court of Justice or the officer next in seniority who is not such a national shall be requested to make the necessary appointments.

6. All arbitrators shall:

(a) have expertise and/or experience in law, international trade, other matters covered by this Agreement, or the resolution of disputes arising under international trade agreements;

(b) be chosen strictly on the basis of objectivity, impartiality, reliability and sound judgment;

(c) be independent of, and not be affiliated with or take instructions from a Party; and

(d) disclose to the disputing Parties any direct or indirect conflicts of interest in respect of the matter at hand.

7. Individuals shall not act as arbitrators for a dispute if they have previously been involved in the dispute with any capacity.

8. If an arbitrator appointed under this Article resigns or becomes unable to act, a successor arbitrator shall be appointed within 15 days in accordance with the procedure as prescribed for the appointment of the original arbitrator and the successor shall have all the powers and duties of the original arbitrator. Any period of time applicable to the proceeding shall be suspended beginning on the date the arbitrator resigns or becomes unable to act and ending on the date a replacement is selected.

9. The date of establishment of the Arbitral Panel shall be the date of the appointment of the Chair of the Arbitral Panel.

10. The requirements and procedures specified in this Article may be changed by mutual agreement of the disputing Parties.

Article 8.8
Functions of Arbitral Panel

1. The functions of an Arbitral Panel are to make an objective assessment of the dispute before it, including an objective assessment of the facts of the case and the applicability of and conformity with this Agreement, and to make such findings and rulings necessary for the resolution

of the dispute referred to it as it deems appropriate as well as to determine at the request of a disputing Party the conformity of any implementing measures and/or relevant suspension of benefits with its final report.

2. The findings and rulings of an Arbitral Panel cannot add to or diminish the rights and obligations of the Parties provided for in this Agreement.

Article 8.9
Proceedings of Arbitral Panel

1. The Arbitral Panel proceedings shall be conducted in accordance with the provisions of this Chapter.

2. Subject to paragraph 1 of this Article, the Arbitral Panel shall establish its own procedures in relation to the rights of the disputing Parties to be heard and its deliberations in consultation with the disputing Parties. The disputing Parties in consultation with the Arbitral Panel may agree to adopt additional rules and procedures not inconsistent with the provisions of this Article.

3. After consulting the disputing Parties, the Arbitral Panel shall as soon as practicable and but not later than within 10 days after its establishment, fix the timetable for the Arbitral Panel process. The timetable shall include precise deadlines for written submissions by the disputing Parties. Modifications to such timetable may be made by mutual agreement of the disputing Parties in consultation with the Arbitral Panel.

4. Upon request of a disputing Party or on its own initiative, the Arbitral Panel may, at its discretion, seek information and/or technical advice from any individual or body which it deems appropriate. However, before the Arbitral Panel seeks such information and/or advice, it shall inform the disputing Parties. Any information and/or technical advice so obtained shall be submitted to the disputing Parties for comment. Where the Arbitral Panel takes the information and/or technical advice into account in the preparation of its report, it shall also take into account any comment by the disputing Parties on the information and/or technical advice.

5. The Arbitral Panel shall make its procedural decisions, findings and rulings by consensus, provided that where the Arbitral Panel is unable to reach consensus such procedural decisions, findings and rulings may be made by majority vote. The Arbitral Panel shall not disclose which arbitrators are associated with majority or minority opinions.

6. The Arbitral Panel shall meet in closed session. The disputing Parties shall be present at the meetings only when invited by the Arbitral Panel to appear before it.

7. The hearings of the Arbitral Panel shall be closed to the public, unless the disputing Parties agree otherwise.

8. The disputing Parties shall be given the opportunity to attend any of the presentations, statements or rebuttals in the proceedings. Any information provided or written submission made by a disputing Party to the Arbitral Panel, including any comment on the descriptive part of the initial report and response to the questions put by the Arbitral Panel, shall be made available to the other disputing Party.
9. The deliberations of the Arbitral Panel and the documents submitted to it shall be kept confidential.
10. Nothing in this Chapter shall preclude a disputing Party from disclosing statements of its own positions to the public. A disputing Party shall treat as confidential information submitted by the other disputing Party to the Arbitral Panel which that other disputing Party has designated as confidential. A disputing Party shall also, upon request of a Party, provide a non-confidential summary of the information contained in its written submissions that could be disclosed to the public.
11. The venue for hearings shall be decided by mutual agreement of the disputing Parties. If there is no agreement, the venue shall alternate between the capitals of the disputing Parties with the first hearing to be held in the capital of the Respondent.

Article 8.10
Terms of Reference of Arbitral Panel

Unless the disputing Parties agree otherwise within 20 days from the date of receipt of the request for the establishment of the Arbitral Panel, the terms of reference shall be: "To examine, in the light of the relevant provisions of this Agreement, the matter referred to in the request for the establishment of an Arbitral Panel pursuant to Article 8.6 of this Agreement and to make findings and rulings of law and fact together with the reasons therefore for the resolution of the dispute."

Article 8.11
Termination or Suspension of Proceedings

1. The Arbitral Panel shall be terminated upon the joint request of the disputing Parties. In such event, the disputing Parties shall jointly notify the Chair of the Arbitral Panel and the Joint Committee.
2. The Arbitral Panel shall, upon the joint request of the disputing Parties, suspend its work at any time for a period not exceeding 12 consecutive months from the date of receipt of such joint request. In such event, the disputing Parties shall jointly notify the Chair of the Arbitral Panel. Within this period,

either disputing Party may authorize the Arbitral Panel to resume its work by notifying the Chair of the Arbitral Panel and the other disputing Party. In that event, all relevant periods of time set out in this Chapter shall be extended by the amount of time that the work has been suspended for. If the work of the Arbitral Panel has been suspended for more than 12 consecutive months, the Arbitral Panel shall be terminated.

3. The authority for establishment of a new Arbitral Panel by the original disputing Parties on the same matter referred to in the request for the establishment of the original Arbitral Panel shall lapse unless the disputing Parties agree otherwise.

Article 8.12
Reports of Arbitral Panel

1. The reports of the Arbitral Panel shall be drafted without presence of the disputing Parties and shall be based on the relevant provisions of this Agreement, the submissions and arguments of the disputing Parties and any information and/or technical advice provided to it in accordance with paragraph 4 of Article 8.9 of this Agreement.

2. The Arbitral Panel shall issue its initial report within 90 days, or 60 days in cases of urgency, including those concerning perishable goods, from the date of establishment of the Arbitral Panel. The initial report shall contain, *inter alia*, both the descriptive sections and the Arbitral Panel's findings and conclusions.

3. In exceptional circumstances, if the Arbitral Panel considers it cannot issue its initial report within the periods of time specified in paragraph 2 of this Article, it shall inform the disputing Parties in writing of the reasons for the delay together with an estimate of the period of time within which it will issue its initial report. Any delay shall not exceed a further period of 30 days unless the disputing Parties agree otherwise.

4. A disputing Party may submit written comments on the initial report to the Arbitral Panel within 15 days of receiving the initial report unless the disputing Parties agree otherwise.

5. After considering any written comment by the disputing Parties and making any further examination it considers necessary, the Arbitral Panel shall present to the disputing Parties its final report within 30 days of issuance of the initial report, unless the disputing Parties agree otherwise.

6. If in its final report, the Arbitral Panel finds that a disputing Party's measure violates this Agreement, it shall include in its rulings a recommendation to remove the violation.

7. The disputing Parties shall release the final report of the Arbitral Panel as a public document within 15 days from the date of its issuance, subject to the protection of confidential information, unless any disputing Party objects. In this case the final report shall still be released for all Parties to this Agreement.
8. The final award of the Arbitral Panel shall be accepted unconditionally by disputing Parties with regard to a particular dispute. It shall not create any rights or obligations with respect to natural or legal persons.

Article 8.13
Implementation

1. The disputing Parties shall immediately comply with the rulings of the Arbitral Panel. Where it is not practicable to comply immediately, the disputing Parties shall comply with the rulings within a reasonable period of time. The reasonable period of time shall be mutually determined by the disputing Parties. Where the disputing Parties fail to agree on the reasonable period of time within 45 days of the issuance of the Arbitral Panel's final report, either disputing Party may refer the matter to the original Arbitral Panel, which shall determine the reasonable period of time after consulting with the disputing Parties.
2. Where there is disagreement between the disputing Parties as to whether a disputing Party has eliminated the non-conformity as determined in the report of the Arbitral Panel within the reasonable period of time as determined pursuant to this Article, the other disputing Party may refer the matter to the original Arbitral Panel.
3. The Arbitral Panel shall issue its report within 60 days from the date on which the matter referred to in paragraph 1 or 2 of this Article was submitted for its consideration. The report shall contain the determination of the Arbitral Panel and the reasons for its determination. When the Arbitral Panel considers that it cannot issue its report within this period of time, it shall inform the disputing Parties in writing of the reasons for the delay together with an estimate of the period of time within which it will issue its report. Any delay shall not exceed a further period of 30 days unless the disputing Parties agree otherwise.
4. The disputing Parties may at all times continue to seek mutually satisfactory resolution on the implementation of the final report of the Arbitral Panel.

Article 8.14
Compensation and Suspension of Benefits

1. If a disputing Party does not comply with the rulings of the Arbitral Panel within the reasonable period of time determined in accordance with Article 8.13 of this Agreement, or notifies the other disputing Party that it does not intend to do so, and/or if the original Arbitral Panel determines that a disputing Party did not comply with the rulings of the Arbitral Panel in accordance with Article 8.13 of this Agreement, such disputing Party shall, if so requested by the other disputing Party, enter into consultations with a view to agreeing on a mutually acceptable compensation. If no such agreement has been reached within 20 days from the receipt of the request, the other disputing Party shall be entitled to suspend the application of benefits granted under this Agreement in respect of the Respondent but only equivalent to those affected by the measure that the Arbitral Panel has found not to be in conformity with this Agreement.
2. In considering what benefits to suspend, a disputing Party should first seek to suspend benefits in the same sector or sectors as that affected by the measure that the Arbitral Panel has found not to be in conformity with this Agreement. If such disputing Party considers that it is not practicable or effective to suspend benefits in the same sector or sectors it may suspend benefits in other sectors.
3. A disputing Party shall notify the other disputing Party of the benefits which it intends to suspend, the grounds for such suspension and when suspension will commence at least 30 days before the date on which the suspension is due to take effect. Within 15 days from the receipt of such notification, the other disputing Party may request the original Arbitral Panel to rule on whether the benefits which a disputing Party intends to suspend are equivalent to those affected by the measure found not to be in conformity with this Agreement, and whether the proposed suspension is in accordance with paragraphs 1 and 2 of this Article. The rulings of the Arbitral Panel shall be given within 45 days from the receipt of such request and shall be final and binding to the disputing Parties. Benefits shall not be suspended until the Arbitral Panel has issued its rulings.
4. Compensation and/or suspension of benefits shall be temporary and shall not be preferred to full elimination of the non-conformity as determined in the final report of the Arbitral Panel. Compensation and/or suspension shall only be applied by a disputing Party until the measure found not to be in conformity with this Agreement has been withdrawn or amended so as to bring it into conformity with this Agreement, or until the disputing Parties have resolved the dispute otherwise.

5. Upon request of a disputing Party, the original Arbitral Panel shall rule on the conformity with the final report of any implementing measure adopted after the suspension of benefits and, in light of such rulings, whether the suspension of benefits should be terminated or modified. The rulings of the Arbitral Panel shall be made within 30 days from the date of the receipt of such request.

Article 8.15
Expenses

1. Unless the disputing Parties agree otherwise:
   (a) each disputing Party shall bear the costs of its appointed arbitrator, its own expenses and legal costs; and
   (b) the costs of the Chair of the Arbitral Panel and other expenses associated with the conduct of its proceedings shall be borne in equal parts by the disputing Parties.
2. Upon request of a disputing Party, the Arbitral Panel may decide on the expenses referred to in subparagraph (b) of paragraph 1 of this Article taking into account the particular circumstances of the case.

Article 8.16
Language

1. All proceedings and documents pursuant to this Chapter shall be in English.
2. Any document submitted for use in the proceedings pursuant to this Chapter shall be in English. If any original document is not in English, the disputing Party submitting it shall provide an English translation of such document.

Article 8.17
Timeframe

Any time limit referred to in this Chapter may be adjusted by mutual agreement of disputing Parties.

CHAPTER 9. GOVERNMENT PROCUREMENT

Article 9.1
Cooperation

1. The Parties recognize the importance of cooperation in the field of government procurement and cooperate for the purposes of greater transparency in the field of government procurement.
2. The Parties shall cooperate in particular in such areas:
   (a) exchanging experience and information, such as laws and regulations, practices and statistics;
   (b) developing the electronic forms of government procurement;
   (c) strengthening interaction of the competent authorities in issues related to the government procurement;
   (d) developing secure trusted space in e-procurement including facilitation of electronic document flow in government procurement;
   (e) creating favourable and equitable environment to access information on government procurement of the other Parties;
   (f) other areas of interest to the Parties.

Article 9.2
Information on the Procurement System

1. The Parties shall publish their respective laws and regulations and information on government procurement in the sources listed in Annex 6 to this Agreement. In order to provide greater transparency, the Parties shall ensure public access to these sources of information.
2. The Parties shall publish in electronic form the available information about government procurement (notice on procurement bid, procurement documentation, changes to such notices and documentation, clarifications of the procurement documentation, protocols drawn up in the procurement process, information on procurement results) in the official language of the Parties.
3. The Parties shall publish any significant changes to the relevant laws and regulations and/or government procurement procedures in the sources listed in Annex 6 to this Agreement or notify each other of such changes by other means as soon as possible.
4. Each Party shall endeavour to expand the content of electronically published information on government procurement.

Article 9.3
Consultations

1. The provisions of this Chapter shall not be subject to disputes in accordance with Chapter 8 of this Agreement.
2. On request of a Party, the other Party shall provide within a reasonable period of time clarification on the issues related to government procurement.
3. For all matters concerning the application of this Chapter in the relations between the Parties, including in the event of any disagreement related to its interpretation and application, consultations shall be held upon request of either Party.
4. A request for such consultations shall be submitted to the other Party's contact point established under Article 9.4 of this Agreement. Unless the Parties agree otherwise, they shall hold consultations within 60 days from the date of receipt of the request.
5. Consultations can be conducted in the form of a meeting or by other means agreed by the Parties.

Article 9.4
Contact Points

1. Each Party shall designate a contact point to monitor the implementation of this Chapter. The contact points shall work collaboratively to facilitate the implementation of this Chapter.
2. The Parties shall provide each other with the names and contact details of their contact points.
3. The Parties shall promptly notify each other of any change to their contact points.

CHAPTER 10. SECTORAL COOPERATION

Article 10.1
Objectives

The objectives of this Chapter are to:

(a) foster cooperation between the Parties and between economic operators of the Parties in areas of mutual interest that may include, *inter alia*, transport, research, innovation, MSMEs, energy, education, healthcare, environment, telecommunications, construction, automotive industries, special economic zones operations;

(b) create new value added chains;

(c) facilitate the implementation of joint projects;

(d) contribute to trade turnover increase;

(e) develop transit potential.

Article 10.2
Principles and Means of Sectoral Cooperation

1. The cooperation executed in accordance with this Chapter shall be built upon:

(a) mutual benefit;

(b) respect of national interests of the Parties and their laws and regulations;

(c) fair competition;

(d) transparency and

shall be carried out taking into account national priorities of the Parties and available resources and without prejudice to existing or planned bilateral cooperation initiatives between the EAEU Members States and I.R. Iran.

2. The means of cooperation executed in accordance with this Chapter may include, on initiative and at will of the Parties:

(a) promotion of cooperation in the field of transport, including joint development of transport and logistic infrastructure and transport corridors;

(b) development of multimodal (combined) transportation;

(c) joint projects in the field of research, development and innovations;

(d) establishment of cooperation ties between enterprises of the Parties;

(e) implementation of joint projects in the field of exploration, production and transportation of oil and gas, refining, petrochemical, and other sectors of fuel and energy complex using modern technologies;

(f) facilitation of technologies and innovations exchange in the energy field;
(g) promotion of cooperation in the field of energy efficiency, energy saving and renewable energy sources;
(h) facilitation of cooperation in the field of education;
(i) promotion of cooperation in the field of medicine and medical technologies in order to develop innovative, competitive and efficient healthcare;
(j) promotion of cooperation in the field of green growth;
(k) development and modernization of telecommunications.

Article 10.3
Forms of Cooperation

The Parties agree to strengthen cooperation by means of:
(a) information exchange and consultations, as well as information support for businesses of the Parties;
(b) promotion of dialogue and communication between businesses of the Parties;
(c) facilitation of joint projects;
(d) joint forums to discuss issues of sectoral cooperation, joint fairs, international workshops and scientific conferences;
(e) exchange of experience in training of experts on matters covered by this Chapter.

Article 10.4
Sub-committees and *ad hoc* Working Groups

1. The Parties may consider establishing sub-committees or *ad hoc* working groups under the Joint Committee established in accordance with Article 1.5 of this Agreement to promote cooperation under this Chapter.
2. The establishment and level of such sub-committees or *ad hoc* working groups shall be agreed upon by the relevant authorities of the Parties on their own.

Article 10.5
Contact Points

1. With respect to each area of sectoral cooperation referred to in Article 10.1 of this Agreement the relevant authorities of the Parties shall designate contact points to communicate on any matters arising

from the implementation of this Chapter. The contact points' functions shall include the following:

(a) providing information exchange within the scope of this Chapter;

(b) receiving and making requests for cooperation within the scope of this Chapter and providing relevant responses;

(c) maintaining a list of cooperation projects agreed pursuant to Article 10.3 of this Agreement;

(d) receiving and making requests for consultations under Article 10.6 of this Agreement and providing relevant responses;

(e) providing information pursuant to reasonable requests of interested authorities of the other Party on matters covered by this Chapter.

2. The Parties shall provide each other with the names and contact details of their contact points.

3. Each Party shall promptly notify the other Party of any change to its contact point.

Article 10.6
Consultations

1. To foster mutual understanding between the Parties or to address specific issues that arise under this Chapter, each Party shall, upon request of the other Party, enter into consultations on issues that arise under this Chapter and are raised by the other Party. The requested Party shall accord full and comprehensive consideration to the request for consultations of other Party as promptly as reasonably possible.

2. To facilitate discussion of the issue that is the subject of the consultations, each Party shall endeavour to provide relevant non-confidential information to the other Party.

3. Consultations shall be conducted in the forms of a meeting or through other means as agreed by the Parties.

Article 10.7
Sub-Committee on Transport Cooperation and Transit

For the purposes of effective implementation and operation of this Agreement and deepening collaboration in the field of facilitation and cost-effectiveness of transit, a Sub-Committee on Transport Cooperation and Transit comprising representatives of each Party shall be established. The Sub-Committee on Transport Cooperation and Transit shall meet at such time and venue as may be agreed by the Parties but no later than one year after the date of entry

into force of this Agreement. The Sub-Committee on Transport Cooperation and Transit shall report its findings to the Joint Committee.

Article 10.8
Non-application of Chapter 8 (Dispute Settlement)

Chapter 8 of this Agreement shall not apply to this Chapter, and neither Party shall have recourse to dispute settlement under Chapter 8 of this Agreement for any matter arising under this Chapter.

CHAPTER 11. FINAL PROVISIONS

Article 11.1
Annexes and Additional Protocols

All annexes and additional protocols to this Agreement shall be regarded as integral part of this Agreement.

Article 11.2
Entry into Force

This Agreement shall enter into force 60 days from the date of receipt of the last written notification certifying that the EAEU Member States and I.R. Iran have completed their respective internal legal procedures required by national law, including the adoption of a decision on the expression of consent of the EAEU to be bound by an international treaty between the EAEU and a third party in accordance with Article 7 of the Treaty on the EAEU. Such notifications shall be made between the Eurasian Economic Commission and I.R. Iran.

Article 11.3
Amendments

This Agreement may be amended by mutual written consent of the Parties. All amendments shall enter into force according to the provisions of Article 11.2 of this Agreement. All amendments shall constitute an integral part of this Agreement.

Article 11.4
Accession of a New Member State of the EAEU

1. The Eurasian Economic Commission shall promptly notify I.R. Iran of any third country receiving the status of the candidate for membership in the EAEU and of any accession to the EAEU.
2. A new Member State of the EAEU shall accede to this Agreement as mutually agreed by the Parties. Such accession shall be done through an additional protocol to this Agreement.

Article 11.5
Withdrawal and Termination

1. Each Party may withdraw from this Agreement by giving a six-month advance notice in writing to the other Party.
2. This Agreement shall terminate for any EAEU Member State which withdraws from the Treaty on the EAEU. Any EAEU Member State, which withdraws from the Treaty on the EAEU shall *ipso facto* cease to be a party to this Agreement on the same date as the withdrawal from the Treaty on the EAEU takes effect. I.R. Iran shall be notified in writing by the Eurasian Economic Union of any such withdrawal 6 months in advance of the date such withdrawal should take place. In case of such a withdrawal from the Agreement each Party may propose to amend this Agreement in accordance with the procedure established by Article 11.3 of this Agreement.
3. If an EAEU Member State withdraws from this Agreement pursuant to Paragraph 2 of this Article, this Agreement shall remain in force for the EAEU and remaining EAEU Member States and I.R. Iran.

Done at _____, on this __th day of _____ 20__, corresponding to __th day of _____ of 14__ of Iranian Calendar, in two originals in the English language, both texts being equally authentic.

For the Republic of Armenia

For the Republic of Belarus

For the Republic of Kazakhstan

For the Kyrgyz Republic

For the Russian Federation

For the Eurasian Economic Union

For the Islamic Republic of Iran

ANNEX 1
SCHEDULES OF TARIFF COMMITMENTS

For the purposes of this Annex:

1. For both Schedules of Tariff Commitments of the Eurasian Economic Union and the Islamic Republic of Iran bound rate of customs duty of 0% shall be applied for all goods from the date of entry into force of the Agreement except as otherwise provided for in Sections 1 and 2 of this Annex.

2. For the purposes of columns "Tariff preferences" and "Out of Quota Rate of Custom Duty" in respective subsections of Sections 1 and 2 of this Annex "MFN" means a rate of a customs duty applied by a Party with respect to a particular good of any third country, except as provided for in paragraph 2 of Article 2.1 of this Agreement.

3. In cases when preferential treatment is set in columns "Tariff Preferences" or "Out of Quota Rate of Custom Duty", in respective subsections of Sections 1 and 2 of this Annex a Party shall apply preferential customs duty rates to originating goods of the other Party according to the following formula:

$$\textbf{Preferential customs duty rate} = \textbf{MFN} * \frac{(100\% - \text{Reduction})}{100\%}$$

where:

"Reduction" means the respective value referred to in columns "Tariff preferences" or "Out of Quota Rate of Custom Duty" in respective subsections of Sections 1 and 2 of this Annex and means the percentage reduction applied for calculation of a preferential customs duty rate.

"MFN" means a rate of a customs duty applied by a Party with respect to a particular good of any third country, except as provided for in paragraph 2 of Article 2.1 of this Agreement.

4. When calculating a preferential customs duty rate, ad valorem duty shall be rounded down to one decimal place, specific duty shall be rounded down to three decimal place.

5. In no case a rate of a preferential customs duty shall be higher than the respective bound rate referred to in columns "Tariff Preference" and "Out of Quota Rate of Custom Duty" in respective subsections of Sections 1 and 2 of this Annex.

SECTION 1

SPECIAL TARIFF COMMITMENTS OF THE EURASIAN ECONOMIC UNION

For the purposes of this Section "HS Code" and "Description" refer to the relevant subheadings of nomenclature of the Eurasian Economic Union and its corresponding description in effect as of 31.12.2021.

HS Code	Description	Tariff Preferences
0101 30	– Asses	MFN
0101 90	– Other	MFN
0102 31	– – Pure-bred breeding animals	MFN
0103 91	– – Weighing less than 50 kg	MFN
0103 92	– – Weighing 50 kg or more	MFN
0105 14	– – Geese	MFN
0105 15	– – Guinea fowls	MFN
0106 11	– – Primates	MFN
0106 20	– Reptiles (including snakes and turtles)	MFN
0201 10	– Carcasses and half-carcasses	MFN
0201 20	– Other cuts with bones in	MFN
0201 30	– Boneless meat	MFN
0202 10	– Carcasses and half-carcasses	MFN
0202 20	– Other cuts with bones in	MFN
0202 30	– Boneless	MFN
0206 10	– Of bovine animals, fresh or chilled	MFN
0206 21	– – Tongues	MFN
0206 22	– – Livers	MFN
0206 29	– – Other	MFN
0206 30	– Of swine, fresh or chilled	MFN
0206 41	– – Livers	MFN
0206 49	– – Other	MFN
0206 80	– Other, fresh or chilled	MFN
0206 90	– Other, frozen	MFN
0207 24	– – Not cut in pieces, fresh or chilled	MFN
0207 25	– – Not cut in pieces, frozen	MFN
0207 26	– – Cuts and offal, fresh or chilled	MFN
0207 27	– – Cuts and offal, frozen	MFN
0207 41	– – Not cut in pieces, fresh or chilled	MFN
0207 42	– – Not cut in pieces, frozen	MFN
0207 43	– – Fatty livers, fresh or chilled	MFN
0207 44	– – Other, fresh or chilled	MFN
0207 45	– – Other, frozen	MFN
0207 51	– – Not cut in pieces, fresh or chilled	MFN
0207 52	– – Not cut in pieces, frozen	MFN
0207 53	– – Fatty livers, fresh or chilled	MFN
0207 54	– – Other, fresh or chilled	MFN
0207 55	– – Other, frozen	MFN
0207 60	– Of guinea fowls	MFN
0303 89	– – Other	MFN
0305 10	– Flours, meals and pellets of fish, fit for human consumption	MFN

HS Code	Description	Tariff Preferences
0305 44	– – Tilapias (*Oreochromis spp.*), catfish (*Pangasius spp., Silurus spp., Clarias spp., Ictalurus spp.*), carp (*Cyprinus spp., Carassius spp., Ctenopharyngodon idellus, Hypophthalmichthys spp., Cirrhinus spp., Mylopharyngodon piceus, Catla catla, Labeo spp., Osteochilus hasselti, Leptobarbus hoeveni, Megalobrama spp.*), eels (*Anguilla spp.*), Nile perch (*Lates niloticus*) and snakeheads (*Channa spp.*)	MFN
0305 54	– – Herrings (*Clupea harengus, Clupea pallasii*), anchovies (*Engraulis spp.*), sardines (*Sardina pilchardus, Sardinops spp.*), sardinella (*Sardinella spp.*), brisling or sprats (*Sprattus sprattus*), mackerel (*Scomber scombrus, Scomber australasicus, Scomber japonicus*), Indian mackerels (*Rastrelliger spp.*), seerfishes (*Scomberomorus spp.*), jack and horse mackerel (*Trachurus spp.*), jacks, crevalles (*Caranx spp.*), cobia (*Rachycentron canadum*), silver pomfrets (*Pampus spp.*), Pacific saury (*Cololabis saira*), scads (*Decapterus spp.*), capelin (*Mallotus villosus*), swordfish (*Xiphias gladius*), Kawakawa (*Euthynnus affinis*), bonitos (*Sarda spp.*), marlins, sailfishes, spearfish (*Istiophoridae*)	MFN
0305 62	– – Cod (*Gadus morhua, Gadus ogac, Gadus macrocephalus*)	MFN
0305 72	– – Fish heads, tails and maws	MFN
0401 10	– Of a fat content, by weight, not exceeding 1 %	MFN
0401 20	– Of a fat content, by weight, exceeding 1 % but not exceeding 6 %	MFN
0401 40	– Of a fat content, by weight, exceeding 6 % but not exceeding 10 %	MFN
0401 50	– Of a fat content, by weight, exceeding 10 %	MFN
0402 10	– In powder, granules or other solid forms, of a fat content, by weight, not exceeding 1.5 %	MFN
0402 21	– – Not containing added sugar or other sweetening matter	MFN
0402 29	– – Other	MFN
0402 91	– – Not containing added sugar or other sweetening matter	MFN
0402 99	– – Other	MFN
0403 10	– Yogurt	MFN
0403 90	– Other	MFN
0404 10	– Whey and modified whey, whether or not concentrated or containing added sugar or other sweetening matter	MFN
0404 90	– Other	MFN
0405 10	– Butter	MFN
0405 20	– Dairy spreads	MFN
0405 90	– Other	MFN
0406 10	– Fresh (unripened or uncured) cheese, including whey cheese, and curd	MFN
0406 20	– Grated or powdered cheese, of all kinds	MFN
0406 30	– Processed cheese, not grated or powdered	MFN
0406 40 100 0	– – Roquefort	MFN
0406 40 500 0	– – Gorgonzola	MFN
0406 90	– Other cheese	MFN
0409 00	Natural honey	MFN

HS Code	Description	Tariff Preferences
ex 0709 30	from June 1 to October 31	Reduction 75%, bound 2.5%
ex 0709 60 100 1	from July 1 to September 30	Reduction 50%, bound 5%
ex 0709 60 100 2	from October 1 to October 31	MFN
ex 0709 60 910 0	from July 1 to October 31	MFN
ex 0709 60 950 0	from July 1 to October 31	MFN
ex 0709 60 990 0	from July 1 to October 31	Reduction 50%, bound 6%
ex 0807 11	from June 1 to October 31	MFN
ex 0807 19	from June 1 to October 31	MFN
1001 11	– – Seed	MFN
1002 10	– Seed	MFN
1004 10	– Seed	MFN
1007 10	– Seed	MFN
1008 40	– Fonio (*Digitaria spp.*)	MFN
1008 50	– Quinoa (*Chenopodium quinoa*)	MFN
1008 60	– Triticale	MFN
1008 90	– Other cereals	MFN
1211 40	– Poppy straw	MFN
1701 12	– – Beet sugar	MFN
1701 13	– – Cane sugar specified in Subheading Note 2 to this Chapter	MFN
1701 14	– – Other cane sugar	MFN
1701 91	– – Containing added flavouring or colouring matter	MFN
1701 99	– – Other	MFN
1901 10	– Preparations suitable for infants or young children, put up for retail sale	MFN
1901 90	– Other	MFN
2001 10	– Cucumbers and gherkins	MFN
2002 10	– Tomatoes, whole or in pieces	MFN
2004 10	– Potatoes	MFN
2004 90	– Other vegetables and mixtures of vegetables	MFN
2005 51	– – Beans, shelled	MFN
2005 59	– – Other	MFN
2006 00	Vegetables, fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallised)	MFN
2204 30	– Other grape must	MFN
2207 10	– Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol. or higher	MFN
2207 20	– Ethyl alcohol and other spirits, denatured, of any strength	MFN
2303 30	– Brewing or distilling dregs and waste	MFN
2306 10	– Of cotton seeds	MFN
2402 20	– Cigarettes containing tobacco	MFN
2402 90	– Other	MFN
2403 11	– – Water pipe tobacco specified in Subheading Note 1 to this Chapter	MFN
2403 19	– – Other	MFN
2620 21	– – Leaded gasoline sludges and leaded anti-knock compound sludges	MFN
2621 10	– Ash and residues from the incineration of municipal waste	MFN

HS Code	Description	Tariff Preferences
2705 00	Coal gas, water gas, producer gas and similar gases, other than petroleum gases and other gaseous hydrocarbons	MFN
2707 20	– Toluol (toluene)	MFN
2707 30	– Xylol (xylenes)	MFN
2707 91	– – Creosote oils	MFN
2708 20	– Pitch coke	MFN
2714 10	– Bituminous or oil shale and tar sands	MFN
2801 10	– Chlorine	MFN
2801 30	– Florine; bromine	MFN
2803 00	Carbon (carbon blacks and other forms of carbon not elsewhere specified or included)	MFN
2804 10	– Hydrogen	MFN
2804 21	– – Argon	MFN
2804 29	– – Other	MFN
2804 30	– Nitrogen	MFN
2804 40	– Oxygen	MFN
2804 50	– Boron; tellurium	MFN
2804 69	– – Other	MFN
2804 80	– Arsenic	MFN
2804 90	– Selenium	MFN
2805 12	– – Calcium	MFN
2805 40	– Mercury	MFN
2806 20	– Chlorosulphuric acid	MFN
2809 10	– Diphosphorus pentaoxide	MFN
2809 20	– Phosphoric acid and polyphosphoric acids	MFN
2811 21	– – Carbon dioxide	MFN
2812 11	– – Carbonyl dichloride (phosgene)	MFN
2812 12	– – Phosphorus oxychloride	MFN
2812 13	– – Phosphorus trichloride	MFN
2812 14	– – Phosphorus pentachloride	MFN
2812 17	– – Thionyl chloride	MFN
2812 19	– – Other	MFN
2815 12	– – In aqueous solution (soda lye or liquid soda)	MFN
2820 10	– Manganese dioxide	MFN
2820 90	– Other	MFN
2821 10	– Iron oxides and hydroxides	MFN
2824 10	– Lead monoxide (litharge, massicot)	MFN
2825 40	– Nickel oxides and hydroxides	MFN
2825 50	– Copper oxides and hydroxides	MFN
2825 80	– Antimony oxides	MFN
2827 41	– – Of copper	MFN
2831 90	– Other	MFN
2832 30	– Thiosulphates	MFN
2833 24	– – Of nickel	MFN
2835 22	– – Of mono- or disodium	MFN
2835 26	– – Other phosphates of calcium	MFN
2835 29	– – Other	MFN
2835 31	– – Sodium triphosphate (sodium tripolyphosphate)	MFN
2835 39	– – Other	MFN
2836 60	– Barium carbonate	MFN
2837 19	– – Other	MFN
2837 20	– Complex cyanides	MFN

HS Code	Description	Tariff Preferences
2840 30	– Peroxoborates (perborates)	MFN
2841 69	– – Other	MFN
2841 70	– Molybdates	MFN
2841 80	– Tungstates (wolframates)	MFN
2844 50	– Spent (irradiated) fuel elements (cartridges) of nuclear reactors	MFN
2845 10	– Heavy water (deuterium oxide)	MFN
2845 90	– Other	MFN
2846 10	– Cerium compounds	MFN
2846 90	– Other	MFN
2849 20	– Of silicon	MFN
2852 10	– Chemically defined	MFN
2853 10	– Cyanogen chloride (chlorcyan)	MFN
2901 10	– Saturated	MFN
2902 11	– – Cyclohexane	MFN
2902 20	– Benzene	MFN
2902 42	– – *m*-Xylene	MFN
2902 43	– – *p*-Xylene	MFN
2902 44	– – Mixed xylene isomers	MFN
2902 60	– Ethylbenzene	MFN
2902 70	– Cumene	MFN
2903 11	– – Chloromethane (methyl chloride) and chloroethane (ethyl chloride)	MFN
2903 14	– – Carbon tetrachloride	MFN
2903 22	– – Trichloroethylene	MFN
2903 29	– – Other	MFN
2903 31	– – Ethylene dibromide (ISO) (1,2-dibromoethane)	MFN
2903 72	– – Dichlorotrifluoroethanes	MFN
2903 73	– – Dichlorofluoroethanes	MFN
2903 74	– – Chlorodifluoroethanes	MFN
2903 75	– – Dichloropentafluoropropanes	MFN
2903 76	– – Bromochlorodifluoromethane, bromotrifluoromethane and dibromotetrafluoroethanes	MFN
2903 77	– – Other, perhalogenated only with fluorine and chlorine	MFN
2903 78	– – Other perhalogenated derivatives	MFN
2903 79	– – Other	MFN
2903 81	– – 1,2,3,4,5,6-Hexachlorocyclohexane (HCH (ISO)), including lindane (ISO, INN)	MFN
2903 82	– – Aldrin (ISO), chlordane (ISO) and heptachlor (ISO)	MFN
2903 92	– – Hexachlorobenzene (ISO) and DDT (ISO) (clofenotane (INN), 1,1,1-trichloro-2,2-bis (*p*-chlorophenyl)ethane)	MFN
2903 93	– – Pentachlorobenzene (ISO)	MFN
2904 31	– – Perfluorooctane sulphonic acid	MFN
2904 36	– – Perfluorooctane sulphonyl fluoride	MFN
2905 17	– – Dodecan-1-ol (lauryl alcohol), hexadecan-1-ol (cetyl alcohol) and octadecan-1-ol (stearyl alcohol)	MFN
2905 19	– – Other	MFN
2905 22	– – Acyclic terpene alcohols	MFN
2905 31	– – Ethylene glycol (ethanediol)	MFN
2905 41	– – 2-Ethyl-2-(hydroxymethyl)propane-1,3-diol (trimethylolpropane)	MFN
2905 43	– – Mannitol	MFN

HS Code	Description	Tariff Preferences
2906 11	– – Menthol	MFN
2906 12	– – Cyclohexanol, methylcyclohexanols and dimethylcyclo-hexanols	MFN
2906 13	– – Sterols and inositols	MFN
2906 19	– – Other	MFN
2906 21	– – Benzyl alcohol	MFN
2907 12	– – Cresols and their salts	MFN
2907 15	– – Naphthols and their salts	MFN
2907 22	– – Hydroquinone (quinol) and its salts	MFN
2907 29	– – Other	MFN
2908 11	– – Pentachlorophenol (ISO)	MFN
2908 19	– – Other	MFN
2908 99	– – Other	MFN
2909 11	– – Diethyl ether	MFN
2909 20	– Cyclanic, cyclenic or cycloterpenic ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives	MFN
2909 30	– Aromatic ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives	MFN
2909 50	– Ether-phenols, ether-alcohol-phenols and their halogenated, sulphonated, nitrated or nitrosated derivatives	MFN
2910 10	– Oxirane (ethylene oxide)	MFN
2912 21	– – Benzaldehyde	MFN
2912 41	– – Vanillin (4-hydroxy-3-methoxybenzaldehyde)	MFN
2912 42	– – Ethylvanillin (3-ethoxy-4-hydroxybenzaldehyde)	MFN
2912 49	– – Other	MFN
2912 50	– Cyclic polymers of aldehydes	MFN
2913 00	Halogenated, sulphonated, nitrated or nitrosated derivatives of products of heading 2912	MFN
2914 13	– – 4-Methylpentan-2-one (methyl isobutyl ketone)	MFN
2914 19	– – Other	MFN
2914 23	– – Ionones and methylionones	MFN
2914 31	– – Phenylacetone (phenylpropan-2-one)	MFN
2914 39	– – Other	MFN
2914 40	– Ketone-alcohols and ketone-aldehydes	MFN
2914 62	– – Coenzyme Q10 (ubidecarenone (INN))	MFN
2914 71	– – Chlordecone (ISO)	MFN
2914 79	– – Other	MFN
2915 13	– – Esters of formic acid	MFN
2915 24	– – Acetic anhydride	MFN
2915 50	– Propionic acid, its salts and esters	MFN
2915 60	– Butanoic acids, pentanoic acids, their salts and esters	MFN
2916 13	– – Methacrylic acid and its salts	MFN
2916 16	– – Binapacryl (ISO)	MFN
2916 19	– – Other	MFN
2916 20	– Cyclanic, cyclenic or cycloterpenic monocarboxylic acids, their anhydrides, halides, peroxides, peroxyacids and their derivatives	MFN
2916 34	– – Phenylacetic acid and its salts	MFN
2917 13	– – Azelaic acid, sebacic acid, their salts and esters	MFN
2917 19	– – Other	MFN
2917 33	– – Dinonyl or didecyl orthophthalates	MFN
2917 35	– – Phthalic anhydride	MFN

HS Code	Description	Tariff Preferences
2918 16	– – Gluconic acid, its salts and esters	MFN
2918 17	– – 2,2-Diphenyl-2-hydroxyacetic acid (benzilic acid)	MFN
2918 18	– – Chlorobenzilate (ISO)	MFN
2918 19	– – Other	MFN
2918 21	– – Salicylic acid and its salts	MFN
2918 22	– – *O*-Acetylsalicylic acid, its salts and esters	MFN
2918 29	– – Other	MFN
2918 30	– Carboxylic acids with aldehyde or ketone function but without other oxygen function, their anhydrides, halides, peroxides, peroxyacids and their derivatives	MFN
2918 91	– – 2,4,5-T (ISO) (2,4,5-trichlorophenoxyacetic acid), its salts and esters	MFN
2919 10	– Tris(2,3-dibromopropyl) phosphate	MFN
2920 11	– – Parathion (ISO) and parathion-methyl (ISO) (methyl-parathion)	MFN
2920 21	– – Dimethyl phosphite	MFN
2920 22	– – Diethyl phosphite	MFN
2920 23	– – Trimethyl phosphite	MFN
2920 29	– – Other	MFN
2920 30	– Endosulfan (ISO)	MFN
2921 12	– – 2-(N,N-Dimethylamino)ethylchloride hydrochloride	MFN
2921 13	– – 2-(N,N-Diethylamino)ethylchloride hydrochloride	MFN
2921 14	– – 2-(N,N-Diisopropylamino)ethylchloride hydrochloride	MFN
2921 19	– – Other	MFN
2921 22	– – Hexamethylenediamine and its salts	MFN
2921 43	– – Toluidines and their derivatives; salts thereof	MFN
2921 44	– – Diphenylamine and its derivatives; salts thereof	MFN
2921 45	– – 1-Naphthylamine (alpha-naphthylamine), 2-naphthylamine (beta-naphthylamine) and their derivatives; salts thereof	MFN
2921 46	– – Amfetamine (INN), benzfetamine (INN), dexamfetamine (INN), etilamfetamine (INN), fencamfamin (INN), lefetamine (INN), levamfetamine (INN), mefenorex (INN) and phentermine (INN); salts thereof	MFN
2921 49	– – Other	MFN
2922 16	– – Diethanolammonium perfluorooctane sulphonate	MFN
2922 18	– – 2-(N,N-Diisopropylamino)ethanol	MFN
2922 21	– – Aminohydroxynaphthalenesulphonic acids and their salts	MFN
2922 29	– – Other	MFN
2922 39	– – Other	MFN
2922 42	– – Glutamic acid and its salts	MFN
2922 43	– – Anthranilic acid and its salts	MFN
2923 10	– Choline and its salts	MFN
2923 30	– Tetraethylammonium perfluorooctane sulphonate	MFN
2923 40	– Didecyldimethylammonium perfluorooctane sulphonate	MFN
2924 11	– – Meprobamate (INN)	MFN
2924 12	– – Fluoroacetamide (ISO), monocrotophos (ISO) and phosphamidon (ISO)	MFN
2924 23	– – 2-Acetamidobenzoic acid (N-acetylanthranilic acid) and its salts	MFN
2924 24	– – Ethinamate (INN)	MFN
2924 25	– – Alachlor (ISO)	MFN

HS Code	Description	Tariff Preferences
2925 12	– – Glutethimide (INN)	MFN
2925 19	– – Other	MFN
2925 21	– – Chlordimeform (ISO)	MFN
2926 20	– 1-Cyanoguanidine (dicyandiamide)	MFN
2926 30	– Fenproporex (INN) and its salts; methadone (INN) intermediate (4-cyano-2-dimethylamino-4,4-diphenylbutane)	MFN
2926 40	– alpha-Phenylacetoacetonitrile	MFN
2927 00	Diazo-, azo- or azoxy-compounds	MFN
2930 20	– Thiocarbamates and dithiocarbamates	MFN
2930 30	– Thiuram mono-, di- or tetrasulphides	MFN
2930 70	– Bis(2-hydroxyethyl)sulfide (thiodiglycol (INN))	MFN
2930 80	– Aldicarb (ISO), captafol (ISO) and methamidophos (ISO)	MFN
2930 90	– Other	MFN
2931 20	– Tributyltin compounds	MFN
2931 31	– – Dimethyl methylphosphonate	MFN
2931 32	– – Dimethyl propylphosphonate	MFN
2931 33	– – Diethyl ethylphosphonate	MFN
2931 36	– – (5-Ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphinan-5-yl)methyl methyl methylphosphonate	MFN
2931 38	– – Salt of methylphosphonic acid and (aminoiminomethyl)urea (1:1)	MFN
2932 11	– – Tetrahydrofuran	MFN
2932 13	– – Furfuryl alcohol and tetrahydrofurfuryl alcohol	MFN
2932 14	– – Sucralose	MFN
2932 20	– Lactones	MFN
2932 91	– – Isosafrole	MFN
2932 93	– – Piperonal	MFN
2932 95	– – Tetrahydrocannabinols (all isomers)	MFN
2933 11	– – Phenazone (antipyrin) and its derivatives	MFN
2933 19	– – Other	MFN
2933 21	– – Hydantoin and its derivatives	MFN
2933 31	– – Pyridine and its salts	MFN
2933 41	– – Levorphanol (INN) and its salts	MFN
2933 49	– – Other	MFN
2933 52	– – Malonylurea (barbituric acid) and its salts	MFN
2933 53	– – Allobarbital (INN), amobarbital (INN), barbital (INN), butalbital (INN), butobarbital, cyclobarbital (INN), methylphenobarbital (INN), pentobarbital (INN), phenobarbital (INN), secbutabarbital (INN), secobarbital (INN) and vinylbital (INN); salts thereof	MFN
2933 54	– – Other derivatives of malonylurea (barbituric acid); salts thereof	MFN
2933 55	– – Loprazolam (INN), mecloqualone (INN), methaqualone (INN) and zipeprol (INN); salts thereof	MFN
2933 72	– – Clobazam (INN) and methyprylon (INN)	MFN
2933 92	– – Azinphos-methyl (ISO)	MFN
2934 91	– – Aminorex (INN), brotizolam (INN), clotiazepam (INN), cloxazolam (INN), dextromoramide (INN), haloxazolam (INN), ketazolam (INN), mesocarb (INN), oxazolam (INN), pemoline (INN), phendimetrazine (INN), phenmetrazine (INN) and sufentanil (INN); salts thereof	MFN
2935 10	– N-Methylperfluorooctane sulphonamide	MFN
2935 20	– N-Ethylperfluorooctane sulphonamide	MFN

HS Code	Description	Tariff Preferences
2935 50	– Other perfluorooctane sulphonamides	MFN
2936 23	– – Vitamin B_2 and its derivatives	MFN
2936 24	– – D- or DL-Pantothenic acid (Vitamin B_3 or Vitamin B_5) and its derivatives	MFN
2936 25	– – Vitamin B_6 and its derivatives	MFN
2936 26	– – Vitamin B_{12} and its derivatives	MFN
2936 27	– – Vitamin C and its derivatives	MFN
2936 28	– – Vitamin E and its derivatives	MFN
2937 50	– Prostaglandins, thromboxanes and leukotrienes, their derivatives and structural analogues	MFN
2938 10	– Rutoside (rutin) and its derivatives	MFN
2938 90	– Other	MFN
2939 20	– Alkaloids of cinchona and their derivatives; salts thereof	MFN
2939 30	– Caffeine and its salts	MFN
2939 41	– – Ephedrine and its salts	MFN
2939 42	– – Pseudoephedrine (INN) and its salts	MFN
2939 43	– – Cathine (INN) and its salts	MFN
2939 44	– – Norephedrine and its salts	MFN
2939 49	– – Other	MFN
2939 51	– – Fenetylline (INN) and its salts	MFN
2939 59	– – Other	MFN
2939 61	– – Ergometrine (INN) and its salts	MFN
2939 62	– – Ergotamine (INN) and its salts	MFN
2939 63	– – Lysergic acid and its salts	MFN
2939 71	– – Cocaine, ecgonine, levometamfetamine, metamfetamine (INN), metamfetamine racemate; salts, esters and other derivatives thereof	MFN
2939 80	– Other	MFN
2940 00	Sugars, chemically pure, other than sucrose, lactose, maltose, glucose and fructose; sugar ethers, sugar acetals and sugar esters, and their salts, other than products of heading 2937, 2938 or 2939	MFN
2941 20	– Streptomycins and their derivatives; salts thereof	MFN
3101 00	Animal or vegetable fertilisers, whether or not mixed together or chemically treated; fertilisers produced by the mixing or chemical treatment of animal or vegetable products	MFN
3102 21	– – Ammonium sulphate	MFN
3102 60	– Double salts and mixtures of calcium nitrate and ammonium nitrate	MFN
3102 80	– Mixtures of urea and ammonium nitrate in aqueous or ammoniacal solution	MFN
3103 19	– – Other	MFN
3105 60	– Mineral or chemical fertilisers containing the two fertilising elements phosphorus and potassium	MFN
3105 90	– Other	MFN
3207 10	– Prepared pigments, prepared opacifiers, prepared colours and similar preparations	MFN
3207 30	– Liquid lustres and similar preparations	MFN
3210 00	Other paints and varnishes (including enamels, lacquers and distempers); prepared water pigments of a kind used for finishing leather	MFN
3211 00	Prepared driers	MFN
3212 10	– Stamping foils	MFN

HS Code	Description	Tariff Preferences
3212 90	– Other	MFN
3215 11	– – Black	MFN
3303 00	Perfumes and toilet waters	MFN
3304 99	– – Other	MFN
3305 90	– Other	MFN
3307 30	– Perfumed bath salts and other bath preparations	MFN
3307 90	– Other	MFN
3401 30	– Organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap	MFN
3402 19	– – Other	MFN
3405 10	– Polishes, creams and similar preparations for footwear or leather	MFN
3405 20	– Polishes, creams and similar preparations for the maintenance of wooden furniture, floors or other woodwork	MFN
3405 30	– Polishes and similar preparations for coachwork, other than metal polishes	MFN
3405 40	– Scouring pastes and powders and other scouring preparations	MFN
3405 90	– Other	MFN
3506 91	– – Adhesives based on polymers of headings 3901 to 3913 or on rubber	MFN
3602 00	Prepared explosives, other than propellent powders	MFN
3701 91	– – For colour photography (polychrome)	MFN
3701 99	– – Other	MFN
3702 31	– – For colour photography (polychrome)	MFN
3702 32	– – Other, with silver halide emulsion	MFN
3702 39	– – Other	MFN
3702 41	– – Of a width exceeding 610 mm and of a length exceeding 200 m, for colour photography (polychrome)	MFN
3702 42	– – Of a width exceeding 610 mm and of a length exceeding 200 m, other than for colour photography	MFN
3702 43	– – Of a width exceeding 610 mm and of a length not exceeding 200 m	MFN
3702 44	– – Of a width exceeding 105 mm but not exceeding 610 mm	MFN
3702 52	– – Of a width not exceeding 16 mm	MFN
3702 53	– – Of a width exceeding 16 mm but not exceeding 35 mm and of a length not exceeding 30 m, for slides	MFN
3702 54	– – Of a width exceeding 16 mm but not exceeding 35 mm and of a length not exceeding 30 m, other than for slides	MFN
3702 55	– – Of a width exceeding 16 mm but not exceeding 35 mm and of a length exceeding 30 m	MFN
3702 56	– – Of a width exceeding 35 mm	MFN
3702 96	– – Of a width not exceeding 35 mm and of a length not exceeding 30 m	MFN
3702 97	– – Of a width not exceeding 35 mm and of a length exceeding 30 m	MFN
3702 98	– – Of a width exceeding 35 mm	MFN
3704 00	Photographic plates, film, paper, paperboard and textiles, exposed but not developed	MFN
3705 00	Photographic plates and film, exposed and developed, other than cinematographic film	MFN
3805 10	– Gum, wood or sulphate turpentine oils	MFN

HS Code	Description	Tariff Preferences
3806 90	– Other	MFN
3808 94	– – Disinfectants	MFN
3811 19	– – Other	MFN
3811 21	– – Containing petroleum oils or oils obtained from bituminous minerals	MFN
3811 90	– Other	MFN
3815 90	– Other	MFN
3816 00	Refractory cements, mortars, concretes and similar compositions, other than products of heading 3801	MFN
3820 00	Anti-freezing preparations and prepared de-icing fluids	MFN
3824 71	– – Containing chlorofluorocarbons (CFCs), whether or not containing hydrochlorofluorocarbons (HCFCs), perfluorocarbons (PFCs) or hydrofluorocarbons (HFCs)	MFN
3824 72	– – Containing bromochlorodifluoromethane, bromotrifluoromethane or dibromotetrafluoroethanes	MFN
3824 76	– – Containing 1,1,1-trichloroethane (methyl chloroform)	MFN
3824 77	– – Containing bromomethane (methyl bromide) or bromochloromethane	MFN
3824 81	– – Containing oxirane (ethylene oxide)	MFN
3824 83	– – Containing tris(2,3-dibromopropyl) phosphate	MFN
3824 84	– – Containing aldrin (ISO), camphechlor (ISO) (toxaphene), chlordane (ISO), chlordecone (ISO), DDT (ISO) (clofenotane (INN), 1,1,1-trichloro-2,2-bis(*p*-chlorophenyl)ethane), dieldrin (ISO, INN), endosulfan (ISO), endrin (ISO), heptachlor (ISO) or mirex (ISO)	MFN
3824 86	– – Containing pentachlorobenzene (ISO) or hexachlorobenzene (ISO)	MFN
3824 87	– – Containing perfluorooctane sulphonic acid, its salts, perfluorooctane sulphonamides, or perfluorooctane sulphonyl fluoride	MFN
3825 10	– Municipal waste	MFN
3825 20	– Sewage sludge	MFN
3825 41	– – Halogenated	MFN
3825 49	– – Other	MFN
3825 50	– Wastes of metal pickling liquors, hydraulic fluids, brake fluids and anti-freeze fluids	MFN
3825 61	– – Mainly containing organic constituents	MFN
3825 69	– – Other	MFN
3901 10	– Polyethylene having a specific gravity of less than 0.94	MFN
3901 20	– Polyethylene having a specific gravity of 0.94 or more	MFN
3901 30	– Ethylene-vinyl acetate copolymers	MFN
3901 40	– Ethylene-alpha-olefin copolymers, having a specific gravity of less than 0.94	MFN
3902 10	– Polypropylene	MFN
3902 30	– Propylene copolymers	MFN
3902 90	– Other	MFN
3903 11	– – Expansible	MFN
3903 19	– – Other	MFN
3903 30	– Acrylonitrile-butadiene-styrene (ABS) copolymers	MFN
3903 90	– Other	MFN
3904 10	– Poly(vinyl chloride), not mixed with any other substances	MFN
3907 40	– Polycarbonates	MFN
3907 61	– – Having a viscosity number of 78 ml/g or higher	MFN

HS Code	Description	Tariff Preferences
3907 69	– – Other	MFN
3909 50	– Polyurethanes	MFN
3911 90	– Other	Reduction 8%, bound 6%
3912 12	– – Plasticised	MFN
3912 31	– – Carboxymethylcellulose and its salts	MFN
3912 90	– Other	MFN
3913 10	– Alginic acid, its salts and esters	MFN
3917 10	– Artificial guts (sausage casings) of hardened protein or of cellulosic materials	MFN
3917 39 000 1	– – – Seamless and of a length exceeding the maximum cross-sectional dimension, whether or not surface-worked, but not otherwise worked	Reduction 20%, bound 5.2%
3917 39 000 3	– – – – – With fittings attached, for use in civil aircraft[5)]	Reduction 20%, bound 4%
3917 39 000 8	– – – – – Other	Reduction 50%, bound 3.3%
3920 10 230 0	– – – – – Polyethylene film, of a thickness of 20 µm or more but not exceeding 40 µm, for the production of photoresist film used in the manufacture of semiconductors or printed circuits	Reduction 50%, bound 3.3%
3920 10 240 0	– – – – – Stretch film	Reduction 50%, bound 3.3%
3920 10 250 0	– – – – – Other	Reduction 50%, bound 3.3%
3920 10 280 0	– – – – 0.94 or more	Reduction 50%, bound 3.3%
3920 10 400 1	– – – – Film for fixing the electrodes of photovoltaic cells, consisting of a layer of polyethylene terephthalate of a thickness not less 10.8 µm, but not more than 13.2 µm and a layer of ethylene polymers of a thickness not less 59.2 µm, but not more than 72.8 µm , in rolls of a width not less than 144.6 mm but not more than 145.4 mm, used for the production of solar modules[5)]	Reduction 50%, bound 3.3%
3920 10 400 9	– – – – Other	Reduction 50%, bound 3.3%
3921 11	– – Of polymers of styrene	MFN
3921 12	– – Of polymers of vinyl chloride	MFN
3923 90	– Other	MFN
3924 90	– Other	Reduction 50%, bound 6%
4002 41	– – Latex	MFN
4002 49	– – Other	MFN
4002 51	– – Latex	MFN
4002 70	– Ethylene-propylene-non-conjugated diene rubber (EPDM)	MFN
4002 80	– Mixtures of any product of heading 4001 with any product of this heading	MFN
4005 20	– Solutions; dispersions other than those of subheading 4005 10	MFN
4006 10	– "Camel-back" strips for retreading rubber tyres	MFN
4010 34	– – Endless transmission belts of trapezoidal cross-section (V-belts), other than V-ribbed, of an outside circumference exceeding 180 cm but not exceeding 240 cm	MFN

HS Code	Description	Tariff Preferences
4010 36	– – Endless synchronous belts, of an outside circumference exceeding 150 cm but not exceeding 198 cm	MFN
4101 20	– Whole hides and skins, unsplit, of a weight per skin not exceeding 8 kg when simply dried, 10 kg when dry-salted, or 16 kg when fresh, wet-salted or otherwise preserved	MFN
4102 10	– With wool on	MFN
4103 20	– Of reptiles	MFN
4103 30	– Of swine	MFN
4106 31	– – In the wet state (including wet-blue)	MFN
4106 32	– – In the dry state (crust)	MFN
4106 40	– Of reptiles	MFN
4106 91	– – In the wet state (including wet-blue)	MFN
4113 30	– Of reptiles	MFN
4114 10	– Chamois (including combination chamois) leather	MFN
4206 00	Articles of gut (other than silk-worm gut), of goldbeater's skin, of bladders or of tendons	MFN
4301 30	– Of lamb, the following: Astrakhan, Broadtail, Caracul, Persian and similar lamb, Indian, Chinese, Mongolian or Tibetan lamb, whole, with or without head, tail or paws	MFN
4301 60	– Of fox, whole, with or without head, tail or paws	MFN
4301 90	– Heads, tails, paws and other pieces or cuttings, suitable for furriers' use	MFN
4302 20	– Heads, tails, paws and other pieces or cuttings, not assembled	MFN
4407 22	– – Virola, Imbuia and Balsa	MFN
4407 25	– – Dark Red Meranti, Light red Meranti and Meranti Bakau	MFN
4407 26	– – White Lauan, White Meranti, White Seraya, Yellow Meranti and Alan	MFN
4407 27	– – Sapelli	MFN
4407 28	– – Iroko	MFN
4412 33	– – Other, with at least one outer ply of non-coniferous wood of the species alder (*Alnus spp.*), ash (*Fraxinus spp.*), beech (*Fagus spp.*), birch (*Betula spp.*), cherry (*Prunus spp.*) chestnut (*Castanea spp.*), elm (*Ulmus spp.*), eucalyptus (*Eucalyptus spp.*), hickory (*Carya spp.*), horse chestnut (*Aesculus spp.*), lime (*Tilia spp.*), maple (*Acer spp.*) oak (*Quercus spp.*), plane tree (*Platanus spp.*), poplar and aspen (*Populus spp.*), robinia (*Robinia spp.*), tulipwood (*Liriodendron spp.*) or walnut (*Juglans spp.*)	MFN
4418 99	– – Other	MFN
4706 30	– Other, of bamboo	MFN
4706 93	– – Obtained by a combination of mechanical and chemical processes	MFN
4707 30	– Paper or paperboard made mainly of mechanical pulp (for example, newspapers, journals and similar printed matter)	MFN
4810 31	– – Bleached uniformly throughout the mass and of which more than 95% by weight of the total fibre content consists of wood fibres obtained by a chemical process, and weighing 150 g/m² or less	MFN
4810 32	– – Bleached uniformly throughout the mass and of which more than 95 % by weight of the total fibre content consists of wood fibres obtained by a chemical process, and weighing more than 150 g/m²	MFN

HS Code	Description	Tariff Preferences
4810 39	– – Other	MFN
4813 10	– In the form of booklets or tubes	MFN
4905 91	– – In book form	MFN
5103 30	– Waste of coarse animal hair	MFN
5108 10	– Carded	MFN
5108 20	– Combed	MFN
5110 00	Yarn of coarse animal hair or of horsehair (including gimped horsehair yarn), whether or not put up for retail sale	MFN
5205 14	– – Measuring less than 192.31 decitex but not less than 125 decitex (exceeding 52 metric number but not exceeding 80 metric number)	MFN
5205 15	– – Measuring less than 125 decitex (exceeding 80 metric number)	MFN
5205 21	– – Measuring 714.29 decitex or more (not exceeding 14 metric number)	MFN
5205 23	– – Measuring less than 232.56 decitex but not less than 192.31 decitex (exceeding 43 metric number but not exceeding 52 metric number)	MFN
5205 24	– – Measuring less than 192.31 decitex but not less than 125 decitex (exceeding 52 metric number but not exceeding 80 metric number)	MFN
5205 26	– – Measuring less than 125 decitex but not less than 106.38 decitex (exceeding 80 metric number but not exceeding 94 metric number)	MFN
5205 27	– – Measuring less than 106.38 decitex but not less than 83.33 decitex (exceeding 94 metric number but not exceeding 120 metric number)	MFN
5205 28	– – Measuring less than 83.33 decitex (exceeding 120 metric number)	MFN
5205 33	– – Measuring per single yarn less than 232.56 decitex but not less than 192.31 decitex (exceeding 43 metric number but not exceeding 52 metric number per single yarn)	MFN
5205 34	– – Measuring per single yarn less than 192.31 decitex but not less than 125 decitex (exceeding 52 metric number but not exceeding 80 metric number per single yarn)	MFN
5205 35	– – Measuring per single yarn less than 125 decitex (exceeding 80 metric number per single yarn)	MFN
5205 41	– – Measuring per single yarn 714.29 decitex or more (not exceeding 14 metric number per single yarn)	MFN
5205 42	– – Measuring per single yarn less than 714.29 decitex but not less than 232.56 decitex (exceeding 14 metric number but not exceeding 43 metric number per single yarn)	MFN
5205 44	– – Measuring per single yarn less than 192.31 decitex but not less than 125 decitex (exceeding 52 metric number but not exceeding 80 metric number per single yarn)	MFN
5205 46	– – Measuring per single yarn less than 125 decitex but not less than 106.38 decitex (exceeding 80 metric number but not exceeding 94 metric number per single yarn)	MFN
5205 47	– – Measuring per single yarn less than 106.38 decitex but not less than 83.33 decitex (exceeding 94 metric number but not exceeding 120 metric number per single yarn)	MFN

HS Code	Description	Tariff Preferences
5206 14	– – Measuring less than 192.31 decitex but not less than 125 decitex (exceeding 52 metric number but not exceeding 80 metric number)	MFN
5206 15	– – Measuring less than 125 decitex (exceeding 80 metric number)	MFN
5206 22	– – Measuring less than 714.29 decitex but not less than 232.56 decitex (exceeding 14 metric number but not exceeding 43 metric number)	MFN
5206 23	– – Measuring less than 232.56 decitex but not less than 192.31 decitex (exceeding 43 metric number but not exceeding 52 metric number)	MFN
5206 24	– – Measuring less than 192.31 decitex but not less than 125 decitex (exceeding 52 metric number but not exceeding 80 metric number)	MFN
5206 25	– – Measuring less than 125 decitex (exceeding 80 metric number)	MFN
5206 31	– – Measuring per single yarn 714.29 decitex or more (not exceeding 14 metric number per single yarn)	MFN
5206 32	– – Measuring per single yarn less than 714.29 decitex but not less than 232.56 decitex (exceeding 14 metric number but not exceeding 43 metric number per single yarn)	MFN
5206 33	– – Measuring per single yarn less than 232.56 decitex but not less than 192.31 decitex (exceeding 43 metric number but not exceeding 52 metric number per single yarn)	MFN
5206 34	– – Measuring per single yarn less than 192.31 decitex but not less than 125 decitex (exceeding 52 metric number but not exceeding 80 metric number per single yarn)	MFN
5206 35	– – Measuring per single yarn less than 125 decitex (exceeding 80 metric number per single yarn)	MFN
5206 42	– – Measuring per single yarn less than 714.29 decitex but not less than 232.56 decitex (exceeding 14 metric number but not exceeding 43 metric number per single yarn)	MFN
5206 43	– – Measuring per single yarn less than 232.56 decitex but not less than 192.31 decitex (exceeding 43 metric number but not exceeding 52 metric number per single yarn)	MFN
5206 44	– – Measuring per single yarn less than 192.31 decitex but not less than 125 decitex (exceeding 52 metric number but not exceeding 80 metric number per single yarn)	MFN
5206 45	– – Measuring per single yarn less than 125 decitex (exceeding 80 metric number per single yarn)	MFN
5301 10	– Flax, raw or retted	MFN
5402 34	– – Of polypropylene	MFN
5402 48	– – Other, of polypropylene	MFN
5402 49	– – Other	MFN
5403 31	– – Of viscose rayon, untwisted or with a twist not exceeding 120 turns per metre	MFN
5403 32	– – Of viscose rayon, with a twist exceeding 120 turns per metre	MFN
5403 33	– – Of cellulose acetate	MFN
5404 19	– – Other	MFN
5408 10	– Woven fabrics obtained from high tenacity yarn of viscose rayon	MFN
5408 21	– – Unbleached or bleached	MFN

HS Code	Description	Tariff Preferences
5408 24	– – Printed	MFN
5501 90	– Other	MFN
5503 11	– – Of aramids	MFN
5509 41	– – Single yarn	MFN
5509 91	– – Mixed mainly or solely with wool or fine animal hair	MFN
5509 92	– – Mixed mainly or solely with cotton	MFN
5510 11	– – Single yarn	MFN
5510 12	– – Multiple (folded) or cabled yarn	MFN
5511 20	– Of synthetic staple fibres, containing less than 85 % by weight of such fibres	MFN
5514 12	– – 3-thread or 4-thread twill, including cross twill, of polyester staple fibres	MFN
5514 19	– – Other woven fabrics	MFN
5514 22	– – 3-thread or 4-thread twill, including cross twill, of polyester staple fibres	MFN
5514 23	– – Other woven fabrics of polyester staple fibres	MFN
5514 29	– – Other woven fabrics	MFN
5514 41	– – Of polyester staple fibres, plain weave	MFN
5514 43	– – Other woven fabrics of polyester staple fibres	MFN
6002 40	– Containing by weight 5 % or more of elastomeric yarn but not containing rubber thread	MFN
6006 41	– – Unbleached or bleached	MFN
6006 43	– – Of yarns of different colours	MFN
6302 21	– – Of cotton	MFN
6302 60	– Toilet linen and kitchen linen, of terry towelling or similar terry fabrics, of cotton	MFN
6305 32	– – Flexible intermediate bulk containers	MFN
6305 33	– – Other, of polyethylene or polypropylene strip or the like	MFN
6305 39	– – Other	MFN
6904 10	– Building bricks	Reduction 50%, bound 7.5%
6909 12	– – Articles having a hardness equivalent to 9 or more on the Mohs scale	MFN
7015 10	– Glasses for corrective spectacles	MFN
7017 20	– – Of other glass having a linear coefficient of expansion not exceeding 5×10^{-6} per Kelvin within a temperature range of 0 °C to 300 °C	MFN
7208 10	– In coils, not further worked than hot-rolled, with patterns in relief	MFN
7208 40	– Not in coils, not further worked than hot-rolled, with patterns in relief	MFN
7208 90	– Other	MFN
7209 90	– Other	MFN
7211 23	– – Containing by weight less than 0.25% of carbon	MFN
7216 40	– L or T sections, not further worked than hot-rolled, hot-drawn or extruded, of a height of 80 mm or more	MFN
7217 30	– Plated or coated with other base metals	MFN
7220 90	– Other	MFN
7226 99	– – Other	MFN
7304 49	– – Other	MFN
7305 19	– – Other	MFN
7403 21	– – Copper-zinc base alloys (brass)	MFN
7403 22	– – Copper-tin base alloys (bronze)	MFN

HS Code	Description	Tariff Preferences
7408 21	– – Of copper-zinc base alloys (brass)	MFN
7408 29	– – Other	MFN
7409 21	– – In coils	MFN
7409 29	– – Other	MFN
7501 20	– Nickel oxide sinters and other intermediate products of nickel metallurgy	MFN
7804 20	– Powders and flakes	MFN
7806 00	Other articles of lead	MFN
7907 00	Other articles of zinc	MFN
8102 97	– – Waste and scrap	MFN
8104 20	– Waste and scrap	MFN
8105 30	– Waste and scrap	MFN
8109 30	– Waste and scrap	MFN
8112 13	– – Waste and scrap	MFN
8112 22	– – Waste and scrap	MFN
8403 10	– Boilers	MFN
8419 89	– – Other	MFN
8424 10	– Fire extinguishers, whether or not charged	MFN
8443 11	– – Offset printing machinery, reel-fed	MFN
8443 12	– – Offset printing machinery, sheet-fed, office type (using sheets with one side not exceeding 22 cm and the other side not exceeding 36 cm in the unfolded state)	MFN
8443 14	– – Letterpress printing machinery, reel fed, excluding flexographic printing	MFN
8456 12	– – Operated by other light or photon beam processes	MFN
8459 41	– – Numerically controlled	MFN
8467 91	– – Of chain saws	MFN
8470 21	– – Incorporating a printing device	MFN
8470 30	– Other calculating machines	MFN
8477 30	– Blow moulding machines	MFN
8481 90	– Parts	MFN
8484 20	– Mechanical seals	MFN
8486 40	– Machines and apparatus specified in note 9 (C) to this Chapter	MFN
8502 40	– Electric rotary converters	MFN
8504 10	– Ballasts for discharge lamps or tubes	MFN
8504 21	– – Having a power handling capacity not exceeding 650 kVA	MFN
8504 22	– – Having a power handling capacity exceeding 650 kVA but not exceeding 10,000 kVA	MFN
8504 23	– – Having a power handling capacity exceeding 10,000 kVA	MFN
8504 31	– – Having a power handling capacity not exceeding 1 kVA	MFN
8504 32	– – Having a power handling capacity exceeding 1 kVA but not exceeding 16 kVA	MFN
8504 33	– – Having a power handling capacity exceeding 16 kVA but not exceeding 500 kVA	MFN
8504 34	– – Having a power handling capacity exceeding 500 kVA	MFN
8504 40	– Static converters	MFN
8507 10	– Lead-acid, of a kind used for starting piston engines	MFN
8507 50	– Nickel-metal hydride	MFN
8510 90	– Parts	MFN

HS Code	Description	Tariff Preferences
8516 10 110 0	– – Instantaneous water heaters	Reduction 50%, bound 5%
8516 10 800 0	– – Other	Reduction 50%, bound 5%
8516 50	– Microwave ovens	MFN
8517 62	– – Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus	MFN
8519 50	– Telephone answering machines	MFN
8522 10	– Pick-up cartridges	MFN
8530 10	– Equipment for railways or tramways	MFN
8533 31	– – For a power handling capacity not exceeding 20 W	MFN
8533 39	– – Other	MFN
8533 90	– Parts	MFN
8539 31	– – Fluorescent, hot cathode	MFN
8540 91	– – Of cathode-ray tubes	MFN
8541 21	– – With a dissipation rate of less than 1 W	MFN
8541 30	– Thyristors, diacs and triacs, other than photosensitive devices	MFN
8541 50	– Other semiconductor devices	MFN
8541 60	– Mounted piezo-electric crystals	MFN
8543 10	– Particle accelerators	MFN
8544 19	– – Other	MFN
8603 10	– Powered from an external source of electricity	MFN
8603 90	– Other	MFN
8605 00	Railway or tramway passenger coaches, not self-propelled; luggage vans, post office coaches and other special purpose railway or tramway coaches, not self-propelled (excluding those of heading 8604)	MFN
8606 10	– Tank wagons and the like	MFN
8606 30	– Self-discharging vans and wagons, other than those of subheading 8606 10	MFN
8606 92	– – Open, with non-removable sides of a height exceeding 60 cm	MFN
8606 99	– – Other	MFN
8607 19	– – Other, including parts	MFN
8701 93	– – Exceeding 37 kW but not exceeding 75 kW	MFN
8701 94	– – Exceeding 75 kW but not exceeding 130 kW	MFN
8701 95	– – Exceeding 130 kW	MFN
8702 10	– With only compression-ignition internal combustion piston engine (diesel or semi-diesel)	MFN
8703 21	– – Of a cylinder capacity not exceeding 1,000 cc	MFN
8703 22	– – Of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc	MFN
8703 23	– – Of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc	MFN
8704 10	– Dumpers designed for off-highway use	MFN
8704 21	– – g.v.w. not exceeding 5 tonnes	MFN
8704 22	– – g.v.w. exceeding 5 tonnes but not exceeding 20 tonnes	MFN
8704 31	– – g.v.w. not exceeding 5 tonnes	MFN
8705 10	– Crane lorries	MFN
8705 30	– Fire fighting vehicles	MFN
8705 40	– Concrete-mixer lorries	MFN

HS Code	Description	Tariff Preferences
8714 93	– – Hubs, other than coaster braking hubs and hub brakes, and free-wheel sprocket-wheels	MFN
8714 94	– – Brakes, including coaster braking hubs and hub brakes, and parts thereof	MFN
8716 20	– Self-loading or self-unloading trailers and semi-trailers for agricultural purposes	MFN
8716 39	– – Other	MFN
8716 80	– Other vehicles	MFN
8803 10	– Propellers and rotors and parts thereof	MFN
8803 20	– Under-carriages and parts thereof	MFN
8803 30	– Other parts of aeroplanes or helicopters	MFN
8803 90	– Other	MFN
8907 10	– Inflatable rafts	MFN
9001 10	– Optical fibres, optical fibre bundles and cables	MFN
9006 30	– Cameras specially designed for underwater use, for aerial survey or for medical or surgical examination of internal organs; comparison cameras for forensic or criminological purposes	MFN
9008 90	– Parts and accessories	MFN
9010 50	– Other apparatus and equipment for photographic (including cinematographic) laboratories; negatoscopes	MFN
9010 90	– Parts and accessories	MFN
9011 10	– Stereoscopic microscopes	MFN
9011 90	– Parts and accessories	MFN
9012 10	– Microscopes other than optical microscopes; diffraction apparatus	MFN
9015 40	– Photogrammetrical surveying instruments and appliances	MFN
9018 12	– – Ultrasonic scanning apparatus	MFN
9018 14	– – Scintigraphic apparatus	MFN
9022 21	– – For medical, surgical, dental or veterinary uses	MFN
9022 29	– – For other uses	MFN
9026 20	– For measuring or checking pressure	MFN
9027 20	– Chromatographs and electrophoresis instruments	MFN
9030 40	– Other instruments and apparatus, specially designed for telecommunications (for example, cross-talk meters, gain measuring instruments, distortion factor meters, psophometers)	MFN
9030 82	– – For measuring or checking semiconductor wafers or devices	MFN
9031 41	– – For inspecting semiconductor wafers or devices or for inspecting photomasks or reticles used in manufacturing semiconductor devices	MFN
9031 80	– Other instruments, appliances and machines	MFN
9108 11	– – With mechanical display only or with a device to which a mechanical display can be incorporated	MFN
9108 12	– – With opto-electronic display only	MFN
9108 19	– – Other	MFN
9109 10	– Electrically operated	MFN
9201 20	– Grand pianos	MFN
9202 10	– Played with a bow	MFN
9209 30	– Musical instrument strings	MFN
9209 91	– – Parts and accessories for pianos	MFN

HS Code	Description	Tariff Preferences
9209 94	– – Parts and accessories for the musical instruments of heading 9207	MFN
9401 10	– Seats of a kind used for aircraft	MFN
9403 60	– Other wooden furniture	MFN
9506 12	– – Ski-fastenings (ski-bindings)	MFN

LIST OF GOODS SUBJECT TO THE TARIFF RATE QUOTA FOR IMPORTATION TO THE CUSTOMS TERRITORY OF THE EURASIAN ECONOMIC UNION FROM THE ISLAMIC REPUBLIC OF IRAN

HS Code	Description	In Quota Amount and In Quota Bound Rate of Custom Duty	Out of Quota Rate of Custom Duty
0207 11	– – Not cut in pieces, fresh or chilled	5 000 tons per year, 0%	MFN
0207 12	– – Not cut in pieces, frozen		
0207 13	– – Cuts and offal, fresh or chilled		
0207 14	– – Cuts and offal, frozen		
0701 90 100 0	– – For the manufacture of starch	20 000 tons per year, 0%	MFN
0701 90 500 0	– – – New, from 1 January to 30 June		Reduction 25%, bound 7.5%
0701 90 900 0	– – – Other		Reduction 25%, bound 7.5%
0702 00 000 1	– From 1 January to 31 March	33 000 tons per year, 0%	Reduction 40%, bound 6%, but not less 0.032 euro per 1 kg
0702 00 000 2	– From 1 April to 30 April		Reduction 25%, bound 11.3%, but not less 0.06 euro per 1 kg
0702 00 000 3	– From 1 May to 14 May		Reduction 25%, bound 11.3%, but not less 0.06 euro per 1 kg
0702 00 000 4	– From 15 May to 31 May		Reduction 25%, bound 11.3%, but not less 0.06 euro per 1 kg
0702 00 000 5	– From 1 June to 30 September		Reduction 25%, bound 11.3%, but not less 0.06 euro per 1 kg
0702 00 000 6	– From 1 October to 31 October		Reduction 25%, bound 7.5%, but not less 0.04 euro per 1 kg
0702 00 000 7	– From 1 November to 20 December		Reduction 40%, bound 6%, but not less 0.032 euro per 1 kg
0702 00 000 9	– From 21 December to 31 December		Reduction 40%, bound 6%, but not less 0.032 euro per 1 kg
0704 90 100 1	– – – White cabbages	15 000 tons per year, 0%	Reduction 25%, bound 9.8%
0704 90 100 9	– – – Other		Reduction 25%, bound 9.8%
0704 90 900 0	– – Other		Reduction 25%, bound 8.3%
0706 10	– Carrots and turnips	10 000 tons per year, 0%	Reduction 25%, bound 9%
0706 90	– Other	10 000 tons per year, 0%	Reduction 25%, bound 9%

HS Code	Description	In Quota Amount and In Quota Bound Rate of Custom Duty	Out of Quota Rate of Custom Duty
0707 00 050 1	– – From January 1 to the end of February	43 000 tons per year, 0%	Reduction 50%, bound 5%, but not less 0.027 euro per 1 kg
0707 00 050 2	– – From March 1 to April 30		Reduction 25%, bound 11.3%, but not less 0.06 euro per 1 kg
0707 00 050 3	– – From May 1 to May 15		Reduction 25%, bound 11.3%, but not less 0.06 euro per 1 kg
0707 00 050 4	– – From May 16 to September 30		Reduction 25%, bound 11.3%, but not less 0.06 euro per 1 kg
0707 00 050 5	– – From October 1 to October 31		Reduction 25%, bound 11.3%, but not less 0.06 euro per 1 kg
0707 00 050 6	– – From November 1 to November 10		Reduction 50%, bound 5%, but not less 0.027 euro per 1 kg
0707 00 050 9	– – From November 11 to December 31		Reduction 50%, bound 5%, but not less 0.027 euro per 1 kg
0707 00 900 0	– Gherkins		MFN
0808 10 100 0	– – for the production of cider, in bulk, from September 16 to December 15	140 000 tons per year, 0%	MFN
0808 10 800 1	– – – From January 1 to March 31		Reduction 40%, bound 0.022 euro per 1 kg
0808 10 800 2	– – – From April 1 to June 30		Reduction 40%, bound 0.019 euro per 1 kg
0808 10 800 3	– – – From July 1 to July 31		Reduction 25%, bound 0.027 euro per 1 kg
0808 10 800 5	– – – of the variety Golden Delicious or Granny Smith		MFN
0808 10 800 6	– – – – Other		Reduction 25%, bound 0.051 euro per 1 kg
0808 10 800 7	– – – – of the variety Golden Delicious or Granny Smith		MFN
0808 10 800 8	– – – – Other		Reduction 25%, bound 0.041 euro per 1 kg
2002 90 110 0	– – – In immediate packings of a net content exceeding 1 kg	20 000 tons per year, 0%	MFN
2002 90 190 0	– – – In immediate packagings of a net content not exceeding 1 kg		Reduction 25%, bound 8.3%, but not less 0.042 euro per 1 kg
2002 90 310 0	– – – In immediate packings of a net content exceeding 1 kg		Reduction 25%, bound 8.3%, but not less 0.041 euro per 1 kg

HS Code	Description	In Quota Amount and In Quota Bound Rate of Custom Duty	Out of Quota Rate of Custom Duty
2002 90 390 0	– – – In immediate packagings of a net content not exceeding 1 kg		Reduction 25%, bound 8.3%, but not less 0.041 euro per 1 kg
2002 90 910 0	– – – In immediate packings of a net content exceeding 1 kg		Reduction 25%, bound 8.3%, but not less 0.041 euro per 1 kg
2002 90 990 0	– – – In immediate packagings of a net content not exceeding 1 kg		Reduction 25%, bound 8.3%, but not less 0.041 euro per 1 kg

SECTION 2

SPECIAL TARIFF COMMITMENTS OF THE ISLAMIC REPUBLIC OF IRAN

For the purposes of this Section "HS Code" and "Description" refer to the relevant subheadings of nomenclature of the Islamic Republic of Iran and its corresponding description in effect as of 31.12.2021.

HS Code	Description	Tariff Preferences
0302 11	– – Trout (*Salmo trutta, Oncorhynchus mykiss, Oncorhynchus clarki, Oncorhynchus aguabonita, Oncorhynchus gilae, Oncorhynchus apache* and *Oncorhynchus chrysogaster*)	Bound 40%
0302 73	– – Carp (*Cyprinus spp., Carassius spp., Ctenopharyngodon idellus, Hypophthalmichthys spp., Cirrhinus spp., Mylopharyngodon piceus, Catla catla, Labeo spp., Osteochilus hasselti, Leptobarbus hoeveni, Megalobrama spp.*)	MFN
0302 89	– – Other	MFN
0303 11	– – Sockeye salmon (red salmon) (*Oncorhynchus nerka*)	MFN
0303 12	– – Other Pacific salmon (*Oncorhynchus gorbuscha, Oncorhynchus keta, Oncorhynchus tschawytscha, Oncorhynchus kisutch, Oncorhynchus masou* and *Oncorhynchus rhodurus*)	MFN
0303 14	– – Trout (*Salmo trutta, Oncorhynchus mykiss, Oncorhynchus clarki, Oncorhynchus aguabonita, Oncorhynchus gilae, Oncorhynchus apache* and *Oncorhynchus chrysogaster*)	MFN
0303 29	– – Other	MFN
0303 31	– – Halibut (*Reinhardtius hippoglossoides, Hippoglossus hippoglossus, Hippoglossus stenolepis*)	MFN
0303 39	– – Other	MFN
0303 53	– – Sardines (*Sardina pilchardus, Sardinops spp.*), sardinella (*Sardinella spp.*), brisling or sprats (*Sprattus sprattus*)	MFN
0303 59	– – Other	MFN
0303 63	– – Cod (*Gadus morhua, Gadus ogac, Gadus macrocephalus*)	MFN
0303 64	– – Haddock (*Melanogrammus aeglefinus*)	MFN
0303 67	– – Alaska pollock (*Theragra chalcogramma*)	MFN
0303 99	– – Other	MFN
0304 49	– – Other	MFN
0304 69	– – Other	MFN
0304 71	– – Cod (*Gadus morhua, Gadus ogac, Gadus macrocephalus*)	MFN
0304 72	– – Haddock (*Melanogrammus aeglefinus*)	MFN
0304 75	– – Alaska pollock (*Theragra chalcogramma*)	MFN
0304 94	– – Alaska pollock (*Theragra chalcogramma*)	MFN
0305 39	– – Other	MFN
0305 41	– – Pacific salmon (*Oncorhynchus nerka, Oncorhynchus gorbuscha, Oncorhynchus keta, Oncorhynchus*	MFN

HS Code	Description	Tariff Preferences
	tschawytscha, *Oncorhynchus kisutch*, *Oncorhynchus masou* and *Oncorhynchus rhodurus*), Atlantic salmon (*Salmo salar*) and Danube salmon (*Hucho hucho*)	
0305 42	– – Herrings (*Clupea harengus, Clupea pallasii*)	MFN
0305 43	– – Trout (*Salmo trutta, Oncorhynchus mykiss, Oncorhynchus clarki, Oncorhynchus aguabonita, Oncorhynchus gilae, Oncorhynchus apache* and *Oncorhynchus chrysogaster*)	MFN
0305 49	– – Other	MFN
0305 51	– – Cod (*Gadus morhua, Gadus ogac, Gadus macrocephalus*)	MFN
0305 59	– – Other	MFN
0305 61	– – Herrings (*Clupea harengus, Clupea pallasii*)	MFN
0305 69	– – Other	MFN
0305 79	– – Other	MFN
0306 16	– – Cold-water shrimps and prawns (*Pandalus spp., Crangon crangon*)	MFN
0306 17	– – Other shrimps and prawns	MFN
0307 21	– – Live, fresh or chilled	MFN
0307 22	– – Frozen	MFN
0307 43	– – Frozen	MFN
0307 49	– – Other	MFN
0307 91	– – Live, fresh or chilled	MFN
0307 92	– – Frozen	MFN
0307 99	– – Other	MFN
0308 12	– – Frozen	MFN
0308 21	– – Live, fresh or chilled	MFN
0401 10	– Of a fat content, by weight, not exceeding 1 %	MFN
0401 20	– Of a fat content, by weight, exceeding 1 % but not exceeding 6 %	MFN
0401 40	– Of a fat content, by weight, exceeding 6 % but not exceeding 10 %	MFN
0401 50	– Of a fat content, by weight, exceeding 10 %	MFN
0402 10	– In powder, granules or other solid forms, of a fat content, by weight, not exceeding 1.5 %	MFN
0402 21	– – Not containing added sugar or other sweetening matter	MFN
0402 29	– – Other	MFN
0402 91	– – Not containing added sugar or other sweetening matter	MFN
0402 99	– – Other	MFN
0403 10	– Yogurt	MFN
0403 90	– Other	MFN
0404 90	– Other	MFN
0405 10 10	– – – Butter packaged in packages of 500 gr or less	Reduction 27.3%, bound 40%
0405 10 20	– – – Butter packaged in packages of more than 500 gr	Reduction 20%, bound 4%
0405 20	– Dairy spreads	MFN
0406 10	– Fresh (unripened or uncured) cheese, including whey cheese, and curd	MFN
0406 20	– Grated or powdered cheese, of all kinds	MFN
0406 30	– Processed cheese, not grated or powdered	MFN
0406 40	– Blue-veined cheese and other cheese containing veins produced by Penicillium roqueforti	MFN

HS Code	Description	Tariff Preferences
0406 90	– Other cheese	MFN
0407 21	– – Of fowls of the species *Gallus domesticus*	MFN
0407 29	– – Other	MFN
0408 11	– – Dried	MFN
0408 19	– – Other	MFN
0408 91	– – Dried	MFN
0408 99	– – Other	MFN
0409 00	Natural honey.	Bound 55%
0504 00	Guts, bladders and stomachs of animals (other than fish), whole and pieces thereof, fresh, chilled, frozen, salted, in brine, dried or smoked	MFN
0505 10	– Feathers of a kind used for stuffing; down	MFN
0507 90	– Other	MFN
0510 00	Ambergris, castoreum, civet and musk; cantharides; bile, whether or not dried; glands and other animal products used in the preparation of pharmaceutical products, fresh, chilled, frozen or otherwise provisionally preserved	MFN
0511 91	– – Products of fish or crustaceans, molluscs or other aquatic invertebrates; dead animals of Chapter 03	MFN
0601 10	– Bulbs, tubers, tuberous roots, corms, crowns and rhizomes, dormant	MFN
0603 11	– – Roses	MFN
0603 12	– – Carnations	MFN
0603 13	– – Orchids	MFN
0603 14	– – Chrysanthemums	MFN
0603 15	– – Lilies (*Lilium spp.*)	MFN
0603 19	– – Other	MFN
0603 90	– Other	MFN
0604 20	– Fresh	MFN
0604 90	– Other	MFN
0701 90	– Other	MFN
0702 00	Tomatoes, fresh or chilled	MFN
0703 10	– Onions and shallots	MFN
0703 20	– Garlic	MFN
0703 90	– Leeks and other alliaceous vegetables	MFN
0704 10	– Cauliflowers and headed broccoli	MFN
0704 20	– Brussels sprouts	MFN
0704 90	– Other	MFN
0705 11	– – Cabbage lettuce (head lettuce)	MFN
0705 19	– – Other	MFN
0705 21	– – Witloof chicory (*Cichorium intybus var. foliosum*)	MFN
0705 29	– – Other	MFN
0706 10	– Carrots and turnips	MFN
0706 90	– Other	MFN
0707 00	Cucumbers and gherkins, fresh or chilled	MFN
0708 90	– Other leguminous vegetables	MFN
0709 20	– Asparagus	MFN
0709 30	– Aubergines (egg-plants)	MFN
0709 40	– Celery other than celeriac	MFN
0709 51	– – Mushrooms of the genus *Agaricus*	MFN
0709 59	– – Other	MFN
0709 60	– Fruits of the genus Capsicum or of the genus Pimenta	MFN

HS Code	Description	Tariff Preferences
0709 70	– Spinach, New Zealand spinach and orache spinach (garden spinach)	MFN
0709 91	– – Globe artichokes	MFN
0709 92	– – Olives	MFN
0709 93	– – Pumpkins, squash and gourds (*Cucurbita spp.*)	MFN
0709 99	– – Other	MFN
0710 10	– Potatoes	MFN
0710 21	– – Peas (*Pisum sativum*)	MFN
0710 22	– – Beans (*Vigna spp., Phaseolus spp.*)	MFN
0710 29	– – Other	MFN
0710 30	– Spinach, New Zealand spinach and orache spinach (garden spinach)	MFN
0710 80	– Other vegetables	MFN
0710 90	– Mixtures of vegetables	MFN
0711 20	– Olives	MFN
0711 40	– Cucumbers and gherkins	MFN
0711 51	– – Mushrooms of the genus *Agaricus*	MFN
0711 59	– – Other	MFN
0711 90	– Other vegetables; mixtures of vegetables	MFN
0712 20	– Onions	MFN
0712 31	– – Mushrooms of the genus Agaricus	MFN
0712 32	– – Wood ears (*Auricularia spp.*)	MFN
0712 33	– – Jelly fungi (*Tremella spp.*)	MFN
0712 39	– – Other	MFN
0712 90	– Other vegetables; mixtures of vegetables	MFN
0713 60	– Pigeon peas (*Cajanus cajan*)	MFN
0714 10	Manioc (cassava)	MFN
0714 20	– Sweet potatoes	MFN
0714 30	– Yams (*Dioscorea spp.*)	MFN
0714 40	– Taro (*Colocasia spp.*)	MFN
0714 50	– Yautia (*Xanthosoma spp.*)	MFN
0714 90	– Other	MFN
0801 21	– – In shell	MFN
0801 22	– – Shelled	MFN
0801 31	– – In shell	MFN
0801 32	– – Shelled	MFN
0802 11	– – In shell	MFN
0802 12	– – Shelled	MFN
0802 21	– – In shell	MFN
0802 22	– – Shelled	MFN
0802 31	– – In shell	MFN
0802 32	– – Shelled	MFN
0802 41	– – In shell	MFN
0802 42	– – Shelled	MFN
0802 61	– – In shell	MFN
0802 62	– – Shelled	MFN
0802 70	– Kola nuts (*Cola spp.*)	MFN
0802 80	– Areca nuts	MFN
0802 90	– Other	MFN
0804 20	– Figs	MFN
0804 40	– Avocados	MFN
0804 50	– Guavas, mangoes and mangosteens	MFN
0805 21	– – Mandarins (including tangerines and satsumas)	MFN

HS Code	Description	Tariff Preferences
0805 22	– – Clementines	MFN
0805 29	– – Other	MFN
0805 40	– Grapefruit, including pomelos	MFN
0805 50	– Lemons (*Citrus limon, Citrus limonum*) and limes (*Citrus aurantifolia, Citrus latifolia*)	MFN
0805 90	– Other	MFN
0807 11	– – Watermelons	MFN
0807 19	– – Other	MFN
0807 20	– Papaws (papayas)	MFN
0808 10	– Apples	MFN
0808 30	– Pears	MFN
0808 40	– Quinces	MFN
0809 10	– Apricots	MFN
0809 21	– – Sour cherries (*Prunus cerasus*)	MFN
0809 29	– – Other	MFN
0809 30	– Peaches, including nectarines	MFN
0809 40	– Plums and sloes	MFN
0810 10	– Strawberries	MFN
0810 20	– Raspberries, blackberries, mulberries and loganberries	MFN
0810 30	– Black, white or red currants and gooseberries	MFN
0810 40	– Cranberries, bilberries and other fruits of the genus Vaccinium	MFN
0810 60	– Durians	MFN
0810 70	– Persimmons	MFN
0810 90	– Other	MFN
0811 10	– Strawberries	MFN
0811 20	– Raspberries, blackberries, mulberries, loganberries, black, white or red currants and gooseberries	MFN
0811 90	– Other	MFN
0812 10	– Cherries	MFN
0812 90	– Other	MFN
0813 10	– Apricots	MFN
0813 20	– Prunes	MFN
0813 30	– Apples	MFN
0813 40	– Other fruit	MFN
0813 50	– Mixtures of nuts or dried fruits of this Chapter	MFN
0814 00	Peel of citrus fruit or melons (including watermelons), fresh, frozen, dried or provisionally preserved in brine, in sulphur water or in other preservative solutions	MFN
0901 11	– – Not decaffeinated	MFN
0901 12	– – Decaffeinated	MFN
0901 21	– – Not decaffeinated	MFN
0901 22	– – Decaffeinated	MFN
0901 90	– Other	MFN
0902 10	- Green tea (not fermented) in immediate packings of a content not exceeding 3 kg	Reduction 40%, bound 12%
0903 00	Maté	MFN
0904 11	– – Neither crushed nor ground	MFN
0904 12	– – Crushed or ground	MFN
0909 21	– – Neither crushed nor ground	MFN
0909 22	– – Crushed or ground	MFN
0910 91	– – Mixtures referred to in Note 1 (b) to this Chapter	MFN
0910 99	– – Other	MFN

HS Code	Description	Tariff Preferences
1002 90	– Other	MFN
1007 90	– Other	MFN
1101 00	Wheat or meslin flour	MFN
1103 11	– – Of wheat	MFN
1103 20	– Pellets	MFN
1104 12	– – Of oats	MFN
1104 19	– – Of other cereals	MFN
1104 29	– – Of other cereals	MFN
1104 30	– Germ of cereals, whole, rolled, flaked or ground	MFN
1105 10	– Flour, meal and powder	MFN
1106 10	– Of the dried leguminous vegetables of heading 0713	MFN
1108 11	– – Wheat starch	MFN
1108 12	– – Maize (corn) starch	MFN
1108 13	– – Potato starch	MFN
1108 19	– – Other	MFN
1109 00	Wheat gluten, whether or not dried	MFN
1211 30	– Coca leaf	MFN
1506 00	Other animal fats and oils and their fractions, whether or not refined, but not chemically modified	MFN
1507 10	- Crude oil, whether or not degummed	Reduction 50%, bound 10%
1507 90	– Other	MFN
1509 10	– Virgin	MFN
1509 90	– Other	MFN
1510 00	Other oils and their fractions, obtained solely from olives, whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading 1509	MFN
1511 90	– Other	MFN
1512 19	– – Other	MFN
1512 29	– – Other	MFN
1514 19	– – Other	MFN
1514 99	– – Other	MFN
1515 29	– – Other	MFN
1517 90	– Other	MFN
1522 00	Degras; residues resulting from the treatment of fatty substances or animal or vegetable waxes	MFN
1602 10	– Homogenised preparations	MFN
1602 90	– Other, including preparations of blood of any animal	MFN
1604 11	– – Salmon	MFN
1604 12	– – Herring	MFN
1604 13	– – Sardines, sardinella and brisling or sprats	MFN
1604 14	– – Tuna, skipjack and bonito (*Sarda spp.*)	MFN
1604 15	– – Mackerel	MFN
1604 17	– – Eels	MFN
1604 19	– – Other	MFN
1604 20	– Other prepared or preserved fish	MFN
1605 10	– Crabs	MFN
1605 29	– – Other	MFN
1701 91	– – Containing added flavouring or colouring matter	MFN
1702 40	– Glucose and glucose syrup, containing in the dry state at least 20 % but less than 50 % by weight of fructose, excluding invert sugar	MFN

HS Code	Description	Tariff Preferences
1702 60	– Other fructose and fructose syrup, containing in the dry state more than 50 % by weight of fructose, excluding invert sugar	MFN
1704 90	- Other	Reduction 74.5%, bound 14%
1805 00	Cocoa powder, not containing added sugar or other sweetening matter	MFN
1806 10	– Cocoa powder, containing added sugar or other sweetening matter	MFN
1901 20	– Mixes and doughs for the preparation of bakers' wares of heading 1905	MFN
1901 90	– Other	MFN
1902 11	– – Containing eggs	MFN
1902 19	– – Other	Reduction 63.6%, bound 20%
1902 20	– Stuffed pasta, whether or not cooked or otherwise prepared	MFN
1902 30	- Other pasta	Reduction 63.6%, bound 20%
1902 40	– Couscous	MFN
1904 10	– Prepared foods obtained by the swelling or roasting of cereals or cereal products	MFN
1904 20	– Prepared foods obtained from unroasted cereal flakes or from mixtures of unroasted cereal flakes and roasted cereal flakes or swelled cereals	MFN
1904 30	– Bulgur wheat	MFN
1904 90	– Other	MFN
2001 10	– Cucumbers and gherkins	MFN
2001 90	– Other	MFN
2002 10	– Tomatoes, whole or in pieces	MFN
2002 90	– Other	MFN
2003 10	– Mushrooms of the genus Agaricus	MFN
2003 90	– Other	MFN
2004 10	– Potatoes	MFN
2004 90	– Other vegetables and mixtures of vegetables	MFN
2005 10	– Homogenised vegetables	MFN
2005 40	– Peas (Pisum sativum)	MFN
2005 51	– – Beans, shelled	MFN
2005 59	– – Other	MFN
2005 70	– Olives	MFN
2005 80	– Sweetcorn (Zea mays var. saccharata)	MFN
2005 99	– – Other	MFN
2006 00	Vegetables, fruit, nuts, fruit-peel and other parts of plants, preserved by sugar (drained, glacé or crystallised)	MFN
2007 10	– Homogenised preparations	MFN
2008 11	– – Ground-nuts	MFN
2008 30	– Citrus fruit	MFN
2008 40	– Pears	MFN
2008 50	– Apricots	MFN
2008 60	– Cherries	MFN
2008 70	– Peaches, including nectarines	MFN
2008 80	– Strawberries	MFN
2008 97	– – Mixtures	MFN

HS Code	Description	Tariff Preferences
2008 99	– – Other	MFN
2009 12	– – Not frozen, of a Brix value not exceeding 20	MFN
2009 21	– – Of a Brix value not exceeding 20	MFN
2009 31	– – Of a Brix value not exceeding 20	MFN
2009 41	– – Of a Brix value not exceeding 20	MFN
2009 50	– Tomato juice	MFN
2009 61	– – Of a Brix value not exceeding 30	MFN
2009 69	– – Other	MFN
2009 71	– – Of a Brix value not exceeding 20	MFN
2009 79	– – Other	MFN
2009 90	– Mixtures of juices	MFN
2102 30	– Prepared baking powders	MFN
2103 10	– Soya sauce	MFN
2103 90	– Other	MFN
2104 10	– Soups and broths and preparations therefor	MFN
2104 20	– Homogenised composite food preparations	MFN
2106 90 10	--- Stabilizers	MFN.
2106 90 20	--- Emulsifiers	MFN
2106 90 30	--- Food shaping powder	MFN
2106 90 40	--- Cake Jel	MFN
2106 90 50	--- Antioxidant	MFN
2106 90 60	--- Improver	MFN
2106 90 80	– – – Complementary food	MFN
2106 90 85	– – – no sugar chewing gum	Reduction 75%, bound 10%
2106 90 90	– – – Other	Bound 10%
2201 10	- Mineral waters and aerated waters	Reduction 75%, bound 14%
2207 10	– Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol. or higher	MFN
2207 20	– Ethyl alcohol and other spirits, denatured, of any strength	MFN
2209 00	Vinegar and substitutes for vinegar obtained from acetic acid	MFN
2710 19	– – Other	MFN
2814 10	– Anhydrous ammonia	MFN
2905 11	– – Methanol (methyl alcohol)	MFN
2905 45	– – Glycerol	MFN
2912 11	– – Methanal (formaldehyde)	MFN
2918 14	– – Citric acid	MFN
3004 90 11	– – – – Having similar domestic production	Reduction 50%, bound 10%
3004 90 12	– – – – Other	Reduction 43%, bound 4%
3004 90 13	– – – – Having similar domestic production	Reduction 50%, bound 18.5%
3004 90 14	– – – – Other	Reduction 43%, bound 4%
3004 90 15	– – – – Having similar domestic production	Reduction 50%, bound 10%
3004 90 16	– – – – Other	Reduction 43%, bound 4%
3004 90 91	– – – – Having similar domestic production	Reduction 50%, bound 10%

HS Code	Description	Tariff Preferences
3004 90 92	– – – – Other	Reduction 43%, bound 4%
3005 90	– Other	MFN
3204 12	– – Acid dyes, whether or not premetallised, and preparations based thereon; mordant dyes and preparations based thereon	MFN
3206 11	– – Containing 80 % or more by weight of titanium dioxide calculated on the dry matter	MFN
3206 19	– – Other	MFN
3208 20	– Based on acrylic or vinyl polymers	MFN
3208 90	– Other	MFN
3209 10	– Based on acrylic or vinyl polymers	MFN
3210 00	Other paints and varnishes (including enamels, lacquers and distempers); prepared water pigments of a kind used for finishing leather	MFN
3303 00	Perfumes and toilet waters	MFN
3304 10	– Lip make-up preparations	MFN
3304 20	– Eye make-up preparations	MFN
3304 30	– Manicure or pedicure preparations	MFN
3304 91 10	– – – In the package prepared for retail	Bound 26%
3304 91 90	– – – Other	Bound 26%
3304 99	– – Other	Reduction 30%, bound 18.2%
3305 10	– Shampoos	Reduction 30%, bound 18.2%
3305 30	– Hair lacquers	MFN
3306 10	– Dentifrices	Reduction 30%, bound 18.2%
3306 90	– Other	Reduction 30%, bound 18.2%
3307 20	– Personal deodorants and antiperspirants	Reduction 30%, bound 18.2%
3307 30	– Perfumed bath salts and other bath preparations	Reduction 30%, bound 18.2%
3307 49	– – Other	Reduction 30%, bound 18.2%
3307 90 10	– – – Fluids used for cleaning contact lenses	Bound 5%
3307 90 20	– – –moisturise hygienic and ornamental tissues	MFN
3307 90 30	– – – Dlilatory wax	MFN
3307 90 90	– – – Other	MFN
3401 11 10	– – – Bath soap	Reduction 30%, bound 18.2%
3401 11 20	– – – Glycerinated soap	Reduction 30%, bound 18.2%
3401 11 30	– – – Baby soap	Reduction 30%, bound 18.2%
3401 11 40	– – – Medical soap	Reduction 30%, bound 18.2%
3401 11 50	– – – Laundry soap	Reduction 30%, bound 18.2%
3401 11 90	– – – Other	Reduction 30%, bound 18.2%

HS Code	Description	Tariff Preferences
3401 19	– – Other	Reduction 30%, bound 18.2%
3401 20 10	– – – Liquid	Reduction 30%, bound 18.2%
3401 20 20	– – – Industrial	Reduction 30%, bound 18.2%
3401 20 30	– – – Chips	Reduction 30%, bound 10.5%
3401 20 40	– – – Powder	Reduction 30%, bound 18.2%
3401 20 90	– – – Other	Reduction 30%, bound 18.2%
3401 30	– Organic surface-active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap	Reduction 30%, bound 18.2%
3402 20	– Preparations put up for retail sale	MFN
3402 90	– Other	MFN
3403 19	– – Other	MFN
3405 10	– Polishes, creams and similar preparations for footwear or leather	MFN
3405 20	– Polishes, creams and similar preparations for the maintenance of wooden furniture, floors or other woodwork	MFN
3405 30	– Polishes and similar preparations for coachwork, other than metal polishes	MFN
3406 00	Candles, tapers and the like	MFN
3505 20	– Glues	MFN
3604 10	– Fireworks	MFN
3808 91	– – Insecticides	MFN
3815 12	– – With precious metal or precious metal compounds as the active substance	MFN
3819 00	Hydraulic brake fluids and other prepared liquids for hydraulic transmission, not containing or containing less than 70 % by weight of petroleum oils or oils obtained from bituminous minerals	MFN
3825 90	– Other	MFN
3903 11	– – Expansible	MFN
3906 90	– Other	MFN
3907 30	– Epoxid resins	MFN
3907 99	– – Other	MFN
3908 10 10	– – – Mixed Polyamide based on Polyamide 6 and 6.6	Bound 10%
3908 10 90	– – – Other	MFN
3909 10	– Urea resins; thiourea resins	MFN
3916 10	– Of polymers of ethylene	MFN
3916 20	– Of polymers of vinyl chloride	MFN
3916 90	– Of other plastics	MFN
3917 21	– – Of polymers of ethylene	MFN
3918 10	– Of polymers of vinyl chloride	MFN
3918 90	– Of other plastics	MFN
3919 10	– In rolls of a width not exceeding 20 cm	MFN
3919 90	– Other	MFN
3920 10	– Of polymers of ethylene	MFN
3920 30	– Of polymers of styrene	MFN
3920 43	– – Containing by weight not less than 6 % of plasticisers	MFN

HS Code	Description	Tariff Preferences
3920 49	– – Other	MFN
3920 51	– – Of poly(methyl methacrylate)	MFN
3920 61	– – Of polycarbonates	MFN
3920 62	– – Of poly(ethylene terephthalate)	MFN
3920 69	– – Of other polyesters	MFN
3921 11	– – Of polymers of styrene	MFN
3921 12	– – Of polymers of vinyl chloride	MFN
3921 13	– – Of polyurethanes	MFN
3921 19	– – Of other plastics	MFN
3921 90	– Other	MFN
3922 10	– Baths, shower-baths, sinks and wash-basins	MFN
3922 20	– Lavatory seats and covers	MFN
3922 90	– Other	MFN
3923 30	– Carboys, bottles, flasks and similar articles	MFN
3923 40	– Spools, cops, bobbins and similar supports	MFN
3923 90	– Other	MFN
3924 10	– Tableware and kitchenware	MFN
3924 90	– Other	MFN
3925 10	– Reservoirs, tanks, vats and similar containers, of a capacity exceeding 300 l	MFN
3925 20	– Doors, windows and their frames and thresholds for doors	MFN
3925 30	– Shutters, blinds (including Venetian blinds) and similar articles and parts thereof	MFN
3926 10	– Office or school supplies	MFN
3926 20	– Articles of apparel and clothing accessories (including gloves, mittens and mitts)	MFN
3926 30	– Fittings for furniture, coachwork or the like	MFN
3926 40	– Statuettes and other ornamental articles	MFN
4003 00	Reclaimed rubber in primary forms or in plates, sheets or strip	MFN
4008 19	– – Other	MFN
4008 21	– – Plates, sheets and strip	MFN
4008 29	– – Other	MFN
4009 31	– – Without fittings	MFN
4009 32	– – With fittings	MFN
4011 10	– Of a kind used on motor cars (including station wagons and racing cars)	MFN
4011 70	– Of a kind used on agricultural or forestry vehicles and machines	MFN
4011 80 10	--- Having similar domestic production	MFN
4011 80 20	--- Wheelbarrows tire	MFN
4011 80 90	– – – Other	Reduction 20%, bound 4%
4011 90	– Other	MFN
4012 20	– Used pneumatic tyres	MFN
4013 10	– Of a kind used on motor cars (including station wagons and racing cars), buses or lorries	MFN
4013 90	– Other	MFN
4015 19	– – Other	MFN
4016 91	– – Floor coverings and mats	MFN
4016 92	– – Erasers	MFN
4202 11	– – With outer surface of leather or of composition leather	MFN
4202 12	– – With outer surface of plastics or of textile materials	MFN

HS Code	Description	Tariff Preferences
4202 21	– – With outer surface of leather or of composition leather	MFN
4202 22	– – With outer surface of plastic sheeting or textile materials	MFN
4202 29	– – Other	MFN
4202 31	– – With outer surface of leather or of composition leather	MFN
4202 92	– – With outer surface of plastic sheeting or textile materials	MFN
4203 10	– Articles of apparel	MFN
4203 29	– – Other	MFN
4203 30	– Belts and bandoliers	MFN
4205 00	Other articles of leather or of composition leather	MFN
4303 10	– Articles of apparel and clothing accessories	MFN
4303 90	– Other	MFN
4410 12 10	– – – unworked or only grind stoned	Reduction 25%, bound 7.5%
4410 12 90	– – – Other	MFN
4411 12 10	– – – non-engraved mechanically or non-covered surface	Reduction 25%, bound 7.5%
4411 12 91	– – – – covered prophile	MFN
4411 12 92	– – – – covered carpet	MFN
4411 12 99	– – – – other	MFN
4411 13 10	– – – non-engraved mechanically or non-covered surface	Reduction 25%, bound 7.5%
4411 13 91	– – – – covered prophile	MFN
4411 13 92	– – – – covered carpet	MFN
4411 13 99	– – – – other	MFN
4411 14 10	– – – non-engraved mechanically or non-covered surface	Reduction 25%, bound 7.5%
4411 14 91	– – – – covered prophile	MFN
4411 14 92	– – – – covered carpet	MFN
4411 14 99	– – – – Other	MFN
4411 92 10	– – – non-engraved mechanically or non-covered surface	Reduction 25%, bound 7.5%
4411 92 90	– – – Other	MFN
4411 93 10	– – – non-engraved mechanically or non-covered surface	Reduction 25%, bound 7.5%
4411 93 90	– – – Other	MFN
4415 20	– Pallets, box pallets and other load boards; pallet collars	MFN
4418 20	– Doors and their frames and thresholds	MFN
4418 99	– – Other	MFN
4419 90	– Other	MFN
4420 10	– Statuettes and other ornaments, of wood	MFN
4421 99	– – Other	MFN
4802 56	– – Weighing 40 g/m^2 or more but not more than 150 g/m^2, in sheets with one side not exceeding 435 mm and the other side not exceeding 297 mm in the unfolded state	Bound 20%
4803 00	Toilet or facial tissue stock, towel or napkin stock and similar paper of a kind used for household or sanitary purposes, cellulose wadding and webs of cellulose fibres, whether or not creped, crinkled, embossed, perforated, surface-coloured, surface-decorated or printed, in rolls or sheets	MFN

HS Code	Description	Tariff Preferences
4814 20	– Wallpaper and similar wall coverings, consisting of paper coated or covered, on the face side, with a grained, embossed, coloured, design-printed with motif or otherwise decorated layer of plastics	Bound 20%
4817 10	– Envelopes	MFN
4818 30	– Tablecloths and serviettes	MFN
4820 10	– Registers, account books, note books, order books, receipt books, letter pads, memorandum pads, diaries and similar articles	MFN
4820 20	– Exercise books	MFN
4820 30	– Binders (other than book covers), folders and file covers	MFN
4823 69	– – Other	MFN
4909 00	Printed or illustrated postcards; printed cards bearing personal greetings, messages or announcements, whether or not illustrated, with or without envelopes or trimmings	MFN
5205 12	– – Measuring less than 714.29 decitex but not less than 232.56 decitex (exceeding 14 metric number but not exceeding 43 metric number)	MFN
5208 12	– – Plain weave, weighing more than 100 g/m²	MFN
5208 22	– – Plain weave, weighing more than 100 g/m²	MFN
5208 52	– – Plain weave, weighing more than 100 g/m²	MFN
5402 19 10	– – – Polyamid 6 filament yarn 900 - 2400 dtex and strength of 73.5 - 90.4	Bound 5%
5402 19 20	– – – Polyamid 6.6 filament yarn 900 -2400 dtex and strength of 73.5 - 90.4	MFN
5402 19 90	– – – Other	MFN
5503 30	– Acrylic or modacrylic	Bound 5%
5509 32	– – Multiple (folded) or cabled yarn	MFN
5601 22	– – Of man-made fibres	MFN
5702 42	– – Of man-made textile materials	MFN
5703 20	– Of nylon or other polyamides	Reduction 30%, bound 38.5%
5703 20 90	– – – Other	MFN
5703 30	– Of other man-made textile materials	MFN
5703 90	– Of other textile materials	MFN
5705 00	Other carpets and other textile floor coverings, whether or not made up	MFN
6105 10	– Of cotton	MFN
6109 10	– Of cotton	MFN
6109 90	– Of other textile materials	MFN
6110 11	– – Of wool	MFN
6110 20	– Of cotton	MFN
6110 30	– Of man-made fibres	MFN
6115 95	– – Of cotton	Reduction 30%, bound 38.5%
6116 10	– Impregnated, coated or covered with plastics or rubber	MFN
6116 93	– – Of synthetic fibres	MFN
6201 93	– – Of man-made fibres	MFN
6202 93	– – Of man-made fibres	MFN
6203 12	– – Of synthetic fibres	Reduction 30%, bound 38.5%
6203 23	– – Of synthetic fibres	MFN
6203 31	– – Of wool or fine animal hair	MFN

HS Code	Description	Tariff Preferences
6203 41	– – Of wool or fine animal hair	MFN
6203 42	– – Of cotton	MFN
6205 20	– Of cotton	MFN
6210 10	– Of fabrics of heading 5602 or 5603	MFN
6211 32	– – Of cotton	MFN
6211 33	– – Of man-made fibres	MFN
6214 20	– Of wool or fine animal hair	MFN
6301 20	– Blankets (other than electric blankets) and travelling rugs, of wool or of fine animal hair	MFN
6301 40	– Blankets (other than electric blankets) and travelling rugs, of synthetic fibres	MFN
6302 21	– – Of cotton	MFN
6302 39	– – Of other textile materials	MFN
6302 60	– Toilet linen and kitchen linen, of terry towelling or similar terry fabrics, of cotton	MFN
6303 99	– – Of other textile materials	MFN
6305 33	– – Other, of polyethylene or polypropylene strip or the like	MFN
6307 10	– Floor-cloths, dish-cloths, dusters and similar cleaning cloths	MFN
6307 90	– Other	MFN
6309 00	Worn clothing and other worn articles	MFN
6310 10	– Sorted	MFN
6505 00	Hats and other headgear, knitted or crocheted, or made up from lace, felt or other textile fabric, in the piece (but not in strips), whether or not lined or trimmed; hair-nets of any material, whether or not lined or trimmed	MFN
6506 99	– – Of other materials	MFN
6807 10	– In rolls	MFN
6807 90	– Other	MFN
7113 19 10	– – – Studded, traditional Crafts	Bound 15%
7113 19 90	– – – Other	Bound 15%
7202 70	– Ferro-molybdenum	MFN
7213 10	– Containing indentations, ribs, grooves or other deformations produced during the rolling process	MFN
7214 99	– – Other	MFN
7216 32	– – I sections	MFN
7217 10	– Not plated or coated, whether or not polished	MFN
7217 20	– Plated or coated with zinc	MFN
7302 10	– Rails	Reduction 73%, bound 4%
7308 30	– Doors, windows and their frames and thresholds for doors	MFN
7308 90	– Other	MFN
7321 11	– – For gas fuel or for both gas and other fuels	MFN
7322 11	– – Of cast iron	MFN
7323 94	– – Of iron (other than cast iron) or steel, enamelled	MFN
7403 11	– – Cathodes and sections of cathodes	MFN
7418 20	– Sanitary ware and parts thereof	MFN
7607 11	– – Rolled but not further worked	MFN
7615 10	– Table, kitchen or other household articles and parts thereof; pot scourers and scouring or polishing pads, gloves and the like	MFN
7615 20	– Sanitary ware and parts thereof	MFN
8201 10	– Spades and shovels	MFN

HS Code	Description	Tariff Preferences
8201 30	– Mattocks, picks, hoes and rakes	MFN
8201 40	– Axes, bill hooks and similar hewing tools	MFN
8202 10	– Hand saws	MFN
8203 20	– Pliers (including cutting pliers), pincers, tweezers and similar tools	MFN
8204 11	– – Non-adjustable	MFN
8204 12	– – Adjustable	MFN
8205 20	– Hammers and sledge hammers	MFN
8205 40	– Screwdrivers	MFN
8208 30	– For kitchen appliances or for machines used by the food industry	MFN
8301 40	– Other locks	MFN
8309 90	– Other	MFN
8403 10	– Boilers	MFN
8411 82	– – Of a power exceeding 5,000 kW	MFN
8412 21	– – Linear acting (cylinders)	Bound 15%
8413 70 10	– Cooler pump	MFN
8413 70 20	– – – Tower internals and stage pumps, specially designed or preapared for towers for heavy water production utilizing the ammonia- hydrogen exchange process	MFN
8413 70 30	– – – Centrifugal pumps, especially designed or prepared for circulating the primary coolant for nuclear reactors	MFN
8413 82	– – Liquid elevators	MFN
8414 60	– Hoods having a maximum horizontal side not exceeding 120 cm	MFN
8415 10	– Of a kind designed to be fixed to a window, wall, ceiling or floor, self-contained or "split-system"	MFN
8415 90	– Parts	MFN
8418 10	– Combined refrigerator-freezers, fitted with separate external doors	MFN
8418 21	– – Compression-type	MFN
8418 29	– – Other	MFN
8418 30	– Freezers of the chest type, not exceeding 800 l capacity	MFN
8418 40	– Freezers of the upright type, not exceeding 900 l capacity	MFN
8418 50	– Other furniture (chests, cabinets, display counters, show-cases and the like) for storage and display, incorporating refrigerating or freezing equipment	MFN
8418 69	– – Other	MFN
8418 99	– – Other	MFN
8419 11	– – Instantaneous gas water heaters	MFN
8419 19	– – Other	MFN
8422 30	– Machinery for filling, closing, sealing, or labelling bottles, cans, boxes, bags or other containers; machinery for capsuling bottles, jars, tubes and similar containers; machinery for aerating beverages	MFN
8424 82	– – Agricultural or horticultural	MFN
8426 11	– – Overhead travelling cranes on fixed support	MFN
8427 10	– Self-propelled trucks powered by an electric motor	MFN
8427 20	– Other self-propelled trucks	MFN
8429 11 11	– – – – New	MFN
8429 11 12	– – – – Used, of an age five years and less	MFN
8429 11 19	– – – – Other	MFN

HS Code	Description	Tariff Preferences
8429 11 21	– – – – New	Reduction 20%, bound 4%
8429 11 22	– – – – Used, of an age five years and less	Reduction 20%, bound 4%
8429 11 29	– – – – Other	Reduction 20%, bound 4%
8429 11 90	– – – Other (angledozer)	Reduction 20%, bound 4%
8429 20	– Graders and levellers	MFN
8429 40	– Tamping machines and road rollers	MFN
8429 51 11	– – – – New	MFN
8429 51 12	– – – – Used, of an age five years and less	MFN
8429 51 19	– – – – Other	MFN
8429 51 21	– – – – New	Reduction 20%, bound 4%
8429 51 22	– – – – Used, of an age five years and less	Reduction 20%, bound 4%
8429 51 29	– – – – Other	Reduction 20%, bound 4%
8429 51 90	– – – Other	Reduction 20%, bound 4%
8429 59 11	– – – – New	MFN
8429 59 12	– – – – Used, of an age five years and less	MFN
8429 59 19	– – – – Other	MFN
8429 59 21	– – – – New	Reduction 20%, bound 4%
8429 59 22	– – – – Used, of an age five years and less	Reduction 20%, bound 4%
8429 59 29	– – – – Other	Reduction 20%, bound 4%
8429 59 90	– – – Other	Reduction 20%, bound 4%
8431 31	– – Of lifts, skip hoists or escalators	MFN
8432 21	– – Disc harrows	MFN
8434 20	– Dairy machinery	MFN
8436 29	– – Other	MFN
8437 80	– Other machinery	MFN
8438 20	– Machinery for the manufacture of confectionery, cocoa or chocolate	MFN
8450 11	– – Fully-automatic machines	MFN
8450 12	– – Other machines, with built-in centrifugal drier	MFN
8450 90	– Parts	MFN
8452 10	– Sewing machines of the household type	MFN
8470 50	– Cash registers	MFN
8477 10	– Injection-molding machines	MFN
8477 20	– Extruders	MFN
8477 30	– Blow moulding machines	MFN
8479 89	– – Other	MFN
8480 50	– Moulds for glass	MFN
8481 40	– Safety or relief valves	MFN
8481 80 10	– – – Sanitary valves such as bath mixers, wash-basin faucets, pick valves, etc.	Reduction 30%, bound 38.5%

HS Code	Description	Tariff Preferences
8481 80 11	--- Special valves used for home purifying water machines	MFN
8481 80 15	--- Brass gate valve up to exceeding 3"	Reduction 30%, bound 38.5%
8481 80 16	--- Steel or dyecast gate valve up to 56"	MFN
8481 80 20	--- Brass ball valves up to exceeding 2.5"	Reduction 30%, bound 38.5%
8481 80 21	--- Steel or dyecast ball valve up to 56"	MFN
8481 80 25	--- Nuzzles specially used on spray cans	Reduction 30%, bound 18.2%
8481 80 30	--- Special valves used on liquid gas cylinders	Reduction 30%, bound 18.2%
8481 80 35	--- Special valves used on gas cookers (simple)	Reduction 30%, bound 18.2%
8481 80 36	--- Special valves used on gas cookers (thermocobles)	Reduction 30%, bound 18.2%
8481 80 37	--- Special valves used on gas cookers (Thermostatics gas)	Reduction 30%, bound 18.2%
8481 80 40	--- Special valves used on gas stoves	Reduction 30%, bound 18.2%
8481 80 45	--- Special valves used on water heaters (wall type and storage type)	Reduction 30%, bound 18.2%
8481 80 50	--- Tire and tube valve	MFN
8481 80 55	--- Oxygen outlet, anesthesia outlet, vacuum outlet, compressed air outlet (clinical room outlet valves panel)used in hospitals for the control and distribution of medical gases	Reduction 30%, bound 7%
8481 80 60	---Valves box (set of valves and related pressure gauges in a box for the control and adjustment of medical gases used in hospitals)	Reduction 30%, bound 7%
8481 80 65	---vehicle engine thermostat (thermostatic valve)	Reduction 30%, bound 10.5%
8481 80 69	---Thermostatis valve for heating radiator	Reduction 30%, bound 10.5%
8481 80 70	---Injectorial vehicles air valve adjuster (digital liner actuator-steppermotor)	Reduction 30%, bound 10.5%
8481 80 80	--- taype of radiator heating valv, other than tarrif heading 84818010	Reduction 30%, bound 14%
8481 80 81	--- well-head valve	Reduction 30%, bound 7%
8481 80 82	---Shut-off and control valves, especially designed or prepared for isotopic separation of uranium, resistant to corrosion by UF6, with a diameter of 40 to 1500 mm	MFN
8481 80 83	--- Plastic Ball Valves	MFN
8481 80 90	--- Other	Reduction 30%, bound 7%
8481 90	- Parts	MFN
8484 20	- Mechanical seals	MFN
8501 61	-- Of an output not exceeding 75 kVA	MFN
8501 62	-- Of an output exceeding 75 kVA but not exceeding 375 kVA	MFN
8501 64	-- Of an output exceeding 750 kVA	MFN
8504 22	-- Having a power handling capacity exceeding 650 kVA but not exceeding 10,000 kVA	MFN

HS Code	Description	Tariff Preferences
8504 40 10	– – – All kinds of DC/DC electronic converter (hybrid) of an input and output 0-100 volts and a power less than 150 watt	Reduction 20%, bound 4%
8504 40 20	– – – Battery charger	MFN
8504 40 30	– – – Computer power supply	MFN
8504 40 40	– – – Other power supply	MFN
8504 40 41	– – –High voltage power supply, especially designed or prepared for isotopic separation of uranium for use in electromagnetic enrichment, capable of continuous operation, output voltage of 20,000 V or greater, output current of 1 A or greater, and voltag	MFN
8504 40 42	– – – High-power magnet power supply, especially designed or prepared for isotopic separation of uranium for use in electromagnetic enrichment, capable of continuously producing a current output of 500 A or greater at a voltage of 100 V or greater and with	MFN
8504 40 50	– – – Inverter	MFN
8504 40 60	– – – All kinds of U.P.S.	MFN
8504 40 70	– – – S.M.D. self	Reduction 20%, bound 4%
8504 40 80	– – – Converter (Driver) Used In LED Lamps Or Lights	MFN
8504 40 85	– – – Frequency changers, especially designed or prepared for isotopic separation of uranium	MFN
8504 40 86	– – – Solar inverters	MFN
8504 40 87	– – – C and X frequency band radar with a power higher than 3 watts with a detection accuracy of 0.01 square meters at a distance of 3 kilometers	MFN
8504 40 90	– – – Other	MFN
8507 10 10	– – – Sealed type	Reduction 30%, bound 38.5%
8507 10 90	– – – Other	Reduction 30%, bound 38.5%
8507 20 10	– – – Sealed type	Reduction 30%, bound 22.4%
8507 20 90	– – – Other	Reduction 30%, bound 22.4%
8508 11	– – Of a power not exceeding 1,500 W and having a dust bag or other receptacle capacity not exceeding 20 l	MFN
8508 19	– – Other	MFN
8509 40	– Food grinders and mixers; fruit or vegetable juice extractors	MFN
8509 80	– Other appliances	MFN
8511 10	– Sparking plugs	MFN
8516 10	– Electric instantaneous or storage water heaters and immersion heaters	MFN
8516 29	– – Other	MFN
8516 31	– – Hair dryers	MFN
8516 32	– – Other hair-dressing apparatus	MFN
8516 40	– Electric smoothing irons	MFN
8516 50	– Microwave ovens	MFN
8516 60	– Other ovens; cookers, cooking plates, boiling rings; grillers and roasters	MFN
8516 71	– – Coffee or tea makers	MFN

HS Code	Description	Tariff Preferences
8516 72	– – Toasters	MFN
8516 79	– – Other	MFN
8516 90	– Parts	MFN
8517 61	– – Base stations	MFN
8517 62	– – Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus	MFN
8518 29	– – Other	MFN
8536 50	– Other switches	MFN
8536 69	– – Other	MFN
8539 29	– – Other	MFN
8539 31	– – Fluorescent, hot cathode	MFN
8603 10	– Powered from an external source of electricity	MFN
8605 00	Railway or tramway passenger coaches, not self-propelled; luggage vans, post office coaches and other special purpose railway or tramway coaches, not self-propelled (excluding those of heading 8604).	Reduction 30%, bound 7%
8606 10	– Tank wagons and the like	MFN
8606 30	– Self-discharging vans and wagons, other than those of subheading 8606 10	MFN
8606 92	– – Open, with non-removable sides of a height exceeding 60 cm	MFN
8606 99	– – Other	MFN
8607 19	– – Other, including parts	MFN
8701 20	– Road tractors for semi-trailers	MFN
8701 91	– – Not exceeding 18 kW	MFN
8701 92	– – Exceeding 18 kW but not exceeding 37 kW	MFN
8701 93	– – Exceeding 37 kW but not exceeding 75 kW	MFN
8701 94 10	– – – Agricultural gardening tractors	MFN
8701 94 20	– – – Agricultural tractors of with power less than 120 hp	MFN
8701 94 90	– – – Other	Reduction 20%, bound 4%
8701 95 10	– – – Agricultural gardening tractors	MFN
8701 95 90	– – – Other	Reduction 20%, bound 4%
8702 10	– With only compression-ignition internal combustion piston engine (diesel or semi-diesel)	MFN
8703 21	– – Of a cylinder capacity not exceeding 1,000 cc	MFN
8703 22	– – Of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc	MFN
8703 23	– – of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc	MFN
8703 24	– – Of a cylinder capacity exceeding 3,000 cc	MFN
8703 31	– – Of a cylinder capacity not exceeding 1,500 cc	MFN
8703 32	– – Of a cylinder capacity exceeding 1,500 cc but not exceeding 2,500 cc	MFN
8703 33	– – Of a cylinder capacity exceeding 2,500 cc	MFN
8703 40	– Other vehicles, with both spark-ignition internal combustion reciprocating piston engine and electric motor as motors for propulsion, other than those capable of being charged by plugging to external source of electric power	MFN
8703 60	– Other vehicles, with both spark-ignition internal combustion reciprocating piston engine and electric motor	MFN

HS Code	Description	Tariff Preferences
	as motors for propulsion, capable of being charged by plugging to external source of electric power	
8704 21	– – g.v.w. not exceeding 5 tonnes	MFN
8704 22	– – g.v.w. exceeding 5 tonnes but not exceeding 20 tonnes	MFN
8704 23	– – g.v.w. exceeding 20 tonnes	MFN
8704 31	– – g.v.w. not exceeding 5 tonnes	MFN
8704 32	– – g.v.w. exceeding 5 tonnes	MFN
8704 90	– Other	MFN
8705 10 10	– – – Having two separate cabins (steering cabin and crane cabin) principally designed to fit each other	Bound 5%
8705 10 90	– – – Other	MFN
8707 90	– Other	MFN
8708 29	– – Other	MFN
8708 30	– Brakes and servo-brakes; parts thereof	MFN
8708 40	– Gear boxes and parts thereof	MFN
8708 70 11	– – – – For motor cars, pick-ups	MFN
8708 70 19	– – – – Other	MFN
8708 70 21	– – – – For motor cars, pick-ups	MFN
8708 70 29	– – – – Other	Reduction 20%, bound 4%
8708 70 31	– – – – For motor cars, pick-ups	MFN
8708 70 39	– – – – Other	MFN
8708 70 40	– – – Road wheels with tyres	MFN
8708 80	– Suspension systems and parts thereof (including shock-absorbers)	MFN
8708 91	– – Radiators and parts thereof	MFN
8708 92	– – Silencers (mufflers) and exhaust pipes; parts thereof	MFN
8708 93	– – Clutches and parts thereof	MFN
8708 99	– – Other	MFN
8711 10 11	– – – – Hybride type	MFN
8711 10 12	– – – Hybride type	Reduction 20%, bound 4%
8711 10 19	– – – – especially for using in racing and type go cart	Reduction 20%, bound 4%
8711 10 91	– – – – Hybride type	MFN
8711 10 92	– – – – especially for using in racing and type go cart	MFN
8711 10 99	– – – – Other	MFN
8711 20	– With reciprocating internal combustion piston engine of a cylinder capacity exceeding 50 cc but not exceeding 250 cc	MFN
8711 30	– With reciprocating internal combustion piston engine of a cylinder capacity exceeding 250 cc but not exceeding 500 cc	MFN
8711 40	– With reciprocating internal combustion piston engine of a cylinder capacity exceeding 500 cc but not exceeding 800 cc	MFN
8711 50	– With reciprocating internal combustion piston engine of a cylinder capacity exceeding 800 cc	MFN
8711 60 10	– – – Scooter	MFN
8711 60 20	– – – Other electric engine with power less than 500W	MFN
8711 60 30	– – – Electric motorbike	MFN
8711 60 90	– – – Other	Reduction 20%, bound 4%
8711 90	– Other	MFN

HS Code	Description	Tariff Preferences
8715 00	Baby carriages and parts thereof	MFN
8716 20	– Self-loading or self-unloading trailers and semi-trailers for agricultural purposes	MFN
8716 31	– – Tanker trailers and tanker semi-trailers	MFN
8716 40	– Other trailers and semi-trailers	MFN
8716 80	– Other vehicles	MFN
8716 90	– Parts	MFN
9004 90	– Other	MFN
9018 19	– – Other	MFN
9018 31	– – Syringes, with or without needles	MFN
9026 20	– For measuring or checking pressure	MFN
9028 20	– Liquid meters	MFN
9028 30	– Electricity meters	Reduction 30%, bound 38.5%
9031 80	– Other instruments, appliances and machines	MFN
9401 40	– Seats other than garden seats or camping equipment, convertible into beds	MFN
9401 61	– – Upholstered	MFN
9401 69	– – Other	MFN
9401 90	– Parts	MFN
9402 90	– Other	MFN
9403 30	– Wooden furniture of a kind used in offices	MFN
9403 40	– Wooden furniture of a kind used in the kitchen	MFN
9403 50	– Wooden furniture of a kind used in the bedroom	MFN
9403 60	– Other wooden furniture	MFN
9403 70	– Furniture of plastics	MFN
9403 89	– – Other	MFN
9403 90	– Parts	MFN
9404 90	– Other	MFN
9405 10	– Chandeliers and other electric ceiling or wall lighting fittings, excluding those of a kind used for lighting public open spaces or thoroughfares	MFN
9503 00	Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls; other toys; reduced-size ("scale") models and similar recreational models, working or not; puzzles of all kinds	MFN
9506 62	– – Inflatable	MFN
9603 21	– – Tooth brushes, including dental-plate brushes	MFN
9603 50	– Other brushes constituting parts of machines, appliances or vehicles	MFN
9603 90	– Other	MFN
9608 10	– Ball point pens	MFN
9608 20	– Felt tipped and other porous-tipped pens and markers	MFN
9609 10	– Pencils and crayons, with leads encased in a rigid sheath	MFN
9617 00	Vacuum flasks and other vacuum vessels, complete with cases; parts thereof other than glass inners	MFN
9884 29	C.K.D. parts for manufacturing road building machinary (excluding tyres)	MFN
9887 01	C.K.D. parts for manufacturing agricultural tractors (excluding tyres)	MFN
9887 02	C.K.D. parts for manufacturing buses and minibuses (excluding tyres)	MFN

HS Code	Description	Tariff Preferences
9887 03	C.K.D. parts for manufacturing motor vehicles covered by heading No 8703 (excluding tyres)	MFN
9887 04	C.K.D. parts for manufacturing motor vehicles covered by heading No 8704 (excluding tyres)	MFN
9887 11	C.K.D. parts for manufacturing power motorcycle Of a domestic manufacture less than 15% excluding tyres	MFN
9887 12	Knocked down parts to build a bike	MFN

LIST OF GOODS SUBJECT TO THE TARIFF RATE QUOTA FOR IMPORTATION TO THE CUSTOMS TERRITORY OF THE ISLAMIC REPUBLIC OF IRAN FROM THE MEMBER STATES OF THE EURASIAN ECONOMIC UNION

HS Code\Special Condition	Description	In Quota Amount and In Quota Bound Rate of Custom Duty	Out of Quota Rate of Custom Duty
0207 11	– – Not cut in pieces, fresh or chilled	5 000 tons per year, 0%	MFN
0207 12	– – Not cut in pieces, frozen		
0207 13	– – Cuts and offal, fresh or chilled		
0207 14	– – Cuts and offal, frozen		
0404 10	– Whey and modified whey, whether or not concentrated or containing added sugar or other sweetening matter	300 tons per year, 0%	MFN
0713 10	– Peas (Pisum sativum)	300 tons per year, 0%	Reduction 55%, bound 25%
0713 20 10	– – – Beans	25 000 tons per year, 0%	Reduction 67%, bound 5%
0713 20 20	– – – Chickpea seed		Bound 5%
0713 20 30	– – – Chickpea (cicer avietnum)		Bound 5%
0713 20 40	– – – Chickpea (desi)		Bound 5%
0713 20 90	– – – other		Bound 5%
0713 33	– – Kidney beans, including white pea beans (*Phaseolus vulgaris*)	3 000 tons per year, 0%	Bound 5%
1001 19	– – Other	200 000 tons per year, 0%	MFN
1001 99[1]	– – Other	3 million tons per year, 0%	Bound 10%
1003 90[1]	– Other	1.5 million tons per year, 0%	Bound 5% from August 21 to 19 April, bound 10% from April 20 to August 20
1206 00	Sunflower seeds, whether or not broken	100 000 tons per year, 0%	Bound 10%
1512 11	– – Crude oil	500 000 tons per year, 0%	Reduction 50%, bound 10%
1514 11	– – Crude oil	200 000 tons per year, 0%	Reduction 50%, bound 10%
1516 20	– Vegetable fats and oils and their fractions	5 000 tons per year, 0%	MFN

[1] Allocation of in quota amount between the EAEU Member States is regulated by decisions of the EAEU. The Eurasian Economic Commission notifies the I.R. of Iran on such allocation.

HS Code\Special Condition	Description	In Quota Amount and In Quota Bound Rate of Custom Duty	Out of Quota Rate of Custom Duty
1517 10	– Margarine, excluding liquid margarine	5 000 tons per year, 0%	MFN
1701 99	– – Other	100 000 tons per year, 0%	MFN

ANNEX 2
PRODUCT SPECIFIC RULES

Interpretative Notes to Annex 2

In this Annex:

1. The first column of the list contains headings and the second column sets out a description of the products. Goods in this list are determined solely by the HS code of goods; name of the goods is only for convenience.
2. **"Heading"** means a heading of the Harmonized System (4 digits);
   "VAC X%" means that value added content which is calculated using the formula set out in Article 6.5 of this Agreement, is not less than X percent and process of production of final goods has been performed in a Party;
   "CC" means that all non-originating materials used in the production of the final goods have undergone a change in tariff classification at HS 2-digit level.
3. The requirement of a change in tariff classification shall apply only to non-originating materials.
4. The origin criteria specified in the third column of the list set the minimum requirements for production operations. A greater content of production operation made beyond the minimum requirement shall also confer originating status.

Code	Description	Origin criterion
7303.00	Tubes, pipes and hollow profiles, of cast iron	CC
73.04	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	CC
73.05	Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406.4 mm, of iron or steel	CC

73.06	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	CC
73.07	Tube or pipe fittings (for example, couplings, elbows, sleeves), of iron or steel	CC
87.02	Motor vehicles for the transport of ten or more persons, including the driver	VAC 50%, provided that the following technological operations were executed: – welding of body (cab) or manufacture of body (cab) in any other way in case of using technologies that do not involve welding operations in the manufacture of body (cab); – painting of body (cab); – mounting of engine (for motor vehicles with internal-combustion engine and hybrid power plants); – mounting of traction electric motor (generators, electromotors) (for motor vehicles powered by electric drive or hybrid power plants); – installation of transmission; – mounting of rear and front suspension (for motor vehicles powered by electric drive or hybrid

		power plants and motor vehicles with spark-ignition internal combustion engine); – mounting of steering and braking system; – mounting of muffler and exhaust pipe-line sections (for motor vehicles with spark-ignition internal combustion engine); – diagnosis and adjustment of engine; – checking of braking system; – checking of radio interference level and electromagnetic compatibility standards (for motor vehicles powered by electric drive or hybrid power plants); – control testing of finished motor vehicle.
87.03	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars	VAC 50%, provided that the following technological operations were executed: – welding of body (cab) or manufacture of body (cab) in any other way in case of using technologies that do not involve welding operations in the manufacture of body (cab); – painting of body (cab); – mounting of engine (for

		motor vehicles with internal-combustion engine and hybrid power plants); – mounting of traction electric motor (generators, electromotors) (for motor vehicles powered by electric drive or hybrid power plants); – installation of transmission; – mounting of rear and front suspension (for motor vehicles powered by electric drive or hybrid power plants and motor vehicles with spark-ignition internal combustion engine); – mounting of steering and braking system; – mounting of muffler and exhaust pipe-line sections (for motor vehicles with spark-ignition internal combustion engine); – diagnosis and adjustment of engine; – checking of braking system; – checking of radio interference level and electromagnetic compatibility standards (for motor vehicles powered by electric drive or hybrid power plants);

		– control testing of finished motor vehicle.
87.04	Motor vehicles for the transport of goods	VAC 40%, provided that the following technological operations were executed: – welding of body (cab) or manufacture of body (cab) in any other way in case of using technologies that do not involve welding operations in the manufacture of body (cab); – painting of body (cab); – mounting of engine (for motor vehicles with internal-combustion engine and hybrid power plants); – mounting of traction electric motor (generators, electromotors) (for motor vehicles powered by electric drive or hybrid power plants); – installation of transmission; – mounting of rear and front suspension (for motor vehicles powered by electric drive or hybrid power plants and motor vehicles with spark-ignition internal combustion engine); – mounting of steering and braking system;

		– mounting of muffler and exhaust pipe-line sections (for motor vehicles with spark-ignition internal combustion engine); – diagnosis and adjustment of engine; – checking of braking system; – checking of radio interference level and electromagnetic compatibility standards (for motor vehicles powered by electric drive or hybrid power plants); – control testing of finished motor vehicle.

ANNEX 3

<table>
<tr><td colspan="3">1. Exporter
(business name, address and country)</td><td colspan="3" rowspan="2">4. № _____

EAEU-IRAN FTA
Certificate of Origin
Form CT-3

Issued in
_____
(country)

For submission to
_____
(country)</td></tr>
<tr><td colspan="3">2. Importer/Consignee
(business name, address and country)</td></tr>
<tr><td colspan="3">3. Means of transport and route
(as far as known)</td><td colspan="3">5. For official use</td></tr>
<tr><td>6. Items №</td><td>7. Number and kind of packages</td><td>8. Description of goods</td><td>9. Origin criterion</td><td>10. Quantity of goods</td><td>11. Number and date of invoice</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="3">12. Certification
It is hereby certified, on the basis of control carried out, that the declaration by the applicant is correct

Place Date Signature Stamp</td><td colspan="3">13. Declaration by the applicant
The undersigned hereby declares that the above details are correct: that all goods were produced in
_____
(country)

and that they comply with the rules of origin as provided in Chapter 6 (Rules of Origin) of the EAEU-IRAN FTA

Place Date Signature Stamp</td></tr>
</table>

Additional sheet of Certificate of Origin Form CT-3 No. ___

6. Items №	7. Number and kind of packages	8. Description of goods	9. Origin criterion	10. Quantity of goods	11. Number and date of invoice

12. Certification
It is hereby certified, on the basis of control carried out, that the declaration by the applicant is correct

Place Date Signature Stamp

13. Declaration by the applicant
The undersigned hereby declares that the above details are correct: that all goods were produced in

_____
(country)

and that they comply with the rules of origin as provided in Chapter 6 (Rules of Origin) of the EAEU-IRAN FTA

Place Date Signature Stamp

Instructions for Completing Certificate of Origin (Form CT-3)

The Certificate of Origin (Form CT-3) and its additional sheets must be on ISO A4 size colour paper in conformity with the specimen shown in this Annex. It shall be made in English.
Unused spaces in boxes 6-11 shall be crossed out to prevent any subsequent addition.
The Certificate of Origin shall:

(a) be in a hard copy, except for the cases provided for in paragraph 4 of Article 6.28 of this Agreement, and in conformity with the specimen text set out in this Annex, which shall be printed in English;

(b) contain the minimum data required in boxes 1, 2, 4, 7, 8, 9, 10, 11, 12, 13;

(c) bear a signature of an authorized signatory and official seal of the authorized body and security features, except for the cases provided for in paragraph 4 of Article 6.28 of this Agreement. The signature shall be handwritten and official seal shall not be a facsimile.

1. **Box 1:** Enter details of the exporter of the goods: business name, address and country.
2. **Box 2:** Enter details of the importer (obligatory) and consignee (if known): business name, address and country.
3. **Box 3:** Enter details of transportation, as far as known, such as departure (shipment) date; means of transport (vessel, aircraft, etc.); place (port, airport) of discharge.
4. **Box 4:** Enter details of unique reference number, issuing country and country to be submitted to.
5. **Box 5:** Enter the words:
"DUPLICATE OF THE CERTIFICATE OF ORIGIN NUMBER___DATE___" in case of replacement of the original Certificate of Origin.
"ISSUED IN SUBSTITUTION FOR THE CERTIFICATE OF ORIGIN NUMBER___DATE___" in case of substitution of the Certificate of Origin.
"ISSUED RETROACTIVELY" or "ISSUED RETROSPECTIVELY" in exceptional cases, where a Certificate of Origin has not been issued prior to or at the time of exportation.
6. **Box 6:** Enter the item number.
7. **Box 7:** Enter the number and kind of packages.

8. **Box 8:** Enter the detailed description of goods and, if applicable, model and brand name in such a way as to enable them to be identified.

9. **Box 9:** Enter the origin criteria for all goods in the manner shown in the following table:

Origin criteria	Insert in Box 9
(a) Goods wholly obtained or produced in a Party as provided for in Article 6.4 of this Agreement	WO
(b) Goods produced entirely in the territory of one or both Parties, exclusively from originating materials from one or more of the Parties	PE
(c) Goods produced in a Party using non-originating materials provided that value added content of the Party is not less than 50 percent of the EXW value	VAC X %*
(d) Goods produced in the territory of a Party using non-originating material and satisfy the requirements as specified in Annex 2 to this Agreement	PSR

*the percentage of value added content calculated in accordance with Article 6.5 of this Agreement should be indicated

10. **Box 10:** Enter the quantity of goods: gross weight (kg) or other measurement (pcs, liters etc.). The actual weight of declared importing goods shall not exceed 5 percent of the weight specified in the Certificate of Origin.

11. **Box 11:** Enter the invoice number(s) and date(s) of invoice(s) submitted to an authorized body for the issuing of the Certificate of Origin.

12. **Box 12:** Enter the place and date of issuance of the Certificate of Origin, signature of an authorized signatory and impression of stamp of authorized body.

13. **Box 13:** Enter the origin of goods (on one side — I.R. Iran, on the other side — the EAEU Member State), place and date of declaration, signature and impression of stamp of the applicant.

ANNEX 4

DECLARATION OF ORIGIN

«The producer or exporter _____[1] declares that the country of origin of goods covered by this document is _____[2] preferential origin in accordance with the rules of origin requirements of the EAEU-Islamic Republic of Iran Free Trade Agreement, except where otherwise clearly indicated»

_____[3]
(Name of the signatory, signature, date)

Notes:

1. The business name of the producer or exporter of goods in accordance with accompanying documents.
2. The name of country of origin of goods.
3. The surname, name of the signatory, signature and date the Declaration of Origin was made.

ANNEX 5
RULES ON CUSTOMS VALUATION

In accordance with Article 7.14 of this Agreement, the customs laws and regulations of the importing Party shall be based *inter alia* on the following provisions.

Article 1

1. The customs value of imported goods shall be the transaction value, that is the price actually paid or payable for the goods when sold for export to the country of importation adjusted in accordance with the provisions of Article 8 of this Annex provided:

(a) that there are no restrictions as to the disposition or use of the goods by the buyer other than restrictions which:

i. are imposed or required by law or by the public authorities in the country of importation;

ii. limit the geographical area in which the goods may be resold; or

iii. do not substantially affect the value of the goods;

(b) that the sale or price is not subject to some condition or commitments for which a value cannot be determined with respect to the goods being valued;

(c) that no part of the proceeds of any subsequent resale, disposal or use of the goods by the buyer will accrue directly or indirectly to the seller, unless an appropriate adjustment can be made in accordance with the provisions of Article 8 of this Annex; and

(d) that the buyer and seller are not related, or where the buyer and seller are related, that the transaction value is acceptable for customs purposes under the provisions of paragraph 2 of this Article.

2.

(a) In determining whether the transaction value is acceptable for the purposes of determination of the customs valuations in accordance with paragraph 1 of this Article, the fact that the buyer and the seller are related within the meaning of Article 14 of this Annex shall not in itself be grounds for regarding the transaction value as unacceptable. In such case, the circumstances surrounding the sale

shall be examined and the transaction value shall be accepted provided that the relationship did not influence the price. If, in the light of information provided by the importer or otherwise, the customs administration has grounds for considering that the relationship influenced the price, it shall communicate its grounds to the importer and he shall be given a reasonable opportunity to respond. If the importer so requests, the communication of the grounds shall be in writing.

(b) In a sale between related persons, the transaction value shall be accepted and the goods valued on the basis of the transaction value determined in accordance with the provisions of paragraph 1 of this Article whenever the importer demonstrates that such value closely approximates to one of the following occurring at or about the same time:

i. the transaction value in sales to unrelated buyers of identical or similar goods for export to the same country of importation;
ii. the customs value of identical or similar goods as determined under the provisions of Article 5 of this Annex;
iii. the customs value of identical or similar goods as determined under the provisions of Article 6 of this Annex.

In applying the foregoing tests, due account shall be taken of demonstrated differences in commercial levels, quantity levels, the elements enumerated in Article 8 of this Annex and costs incurred by the seller in sales in which he and the buyer are not related that are not incurred by the seller in sales in which he and the buyer are related.

(c) The tests set forth in paragraph 2(b) of this Article are to be used at the initiative of the importer and only for comparison purposes. Substitute values may not be established under the provisions of paragraph 2(b) of this Article.

Article 2

1.

(a) If the customs value of the imported goods cannot be determined under the provisions of Article 1 of this Annex, the customs value shall be the value was determined under the provisions of Article 1 of this Annex and accepted for identical goods sold for export to the same country of importation and exported at or about the same time

as the goods being valued, but not less than 90 days before the import of the corresponded goods;

(b) In applying this Article, the transaction value of identical goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued shall be used to determine the customs value. Where no such sale is found, the transaction value of identical goods sold at a different commercial level and/or in different quantities, adjusted to take account of differences attributable to commercial level and/or to quantity, shall be used, provided that such adjustments can be made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustment, whether the adjustment leads to an increase or a decrease in the value.

2. Where the costs and charges referred to in subparagraphs (e), (f) and (g) of paragraph 1 of Article 8 of this Annex are included in the transaction value, an adjustment shall be made to take account of significant differences in such costs and charges between the imported goods and the identical goods in question arising from differences in distances and modes of transport.

3. If, in applying this Article, more than one transaction value of identical goods is found, the lowest such value shall be used to determine the customs value of the imported goods.

Article 3

1.

(a) If the customs value of the imported goods cannot be determined under the provisions of Articles 1 and 2 of this Annex, the customs value shall be the value determined under the provisions of Article 1 of this Annex and accepted for similar goods sold for export to the same country of importation and exported at or about the same time as the goods being valued, but not less than 90 days before the import of the corresponded goods.

(b) In applying this Article, the transaction value of similar goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued shall be used to determine the customs value. Where no such sale is found, the transaction value of similar goods sold at a different commercial level and/or in different quantities, adjusted to take account of differences attributable to commercial level and/or to quantity, shall be used, provided that such adjustments can be

made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustment, whether the adjustment leads to an increase or a decrease in the value.

2. Where the costs and charges referred to in subparagraphs (e), (f) and (g) of paragraph 1 of Article 8 of this Annex are included in the transaction value, an adjustment shall be made to take account of significant differences in such costs and charges between the imported goods and the similar goods in question arising from differences in distances and modes of transport.

3. If, in applying this Article, more than one transaction value of similar goods is found, the lowest such value shall be used to determine the customs value of the imported goods.

Article 4

If the customs value of the imported goods cannot be determined under the provisions of Articles 1, 2 and 3 of this Annex the customs value shall be determined under the provisions of Article 5 of this Annex or, when the customs value cannot be determined under that Article, under the provisions of Article 6 of this Annex except that, at the request of the importer, the order of application of Articles 5 and 6 of this Annex shall be reversed.

Article 5

1.

(a) If the imported goods or identical or similar imported goods are sold in the country of importation in the condition as imported, the customs value of the imported goods under the provisions of this Article shall be based on the unit price at which the imported goods or identical or similar imported goods are so sold in the greatest aggregate quantity, at or about the time of the importation of the goods being valued, to persons who are not related to the persons from whom they buy such goods, subject to deductions for the following:

i. either the commissions usually paid or agreed to be paid or the additions usually made for profit and general expenses in connection with sales in such country of imported goods of the same class or kind;

ii. the usual costs of transport and insurance and associated costs incurred within the country of importation;

iii. where appropriate, the costs and charges referred to in paragraph 2 of Article 8 of this Annex; and

iv. the customs duties and other national taxes payable in the country of importation by reason of the importation or sale of the goods.

(b) If neither the imported goods nor identical nor similar imported goods are sold at or about the time of importation of the goods being valued, the customs value shall, subject otherwise to the provisions of paragraph 1(a) of this Article, be based on the unit price at which the imported goods or identical or similar imported goods are sold in the country of importation in the condition as imported at the earliest date after the importation of the goods being valued but before the expiration of 90 days after such importation.

2. If neither the imported goods nor identical nor similar imported goods are sold in the country of importation in the condition as imported, then, if the importer so requests, the customs value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons in the country of importation who are not related to the persons from whom they buy such goods, due allowance being made for the value added by such processing and the deductions provided for in paragraph 1(a) of this Article.

Article 6

1. The customs value of imported goods under the provisions of this Article shall be based on a computed value. Computed value shall consist of the sum of:

(a) the cost or value of materials and fabrication or other processing employed in producing the imported goods;

(b) an amount for profit and general expenses equal to that usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to the country of importation;

(c) the cost or value of all other expenses necessary to reflect the valuation option chosen by the Party under subparagraphs (e), (f) and (g) of paragraph 1 of Article 8 of this Annex.

2. No Party may require or compel any person not resident in its own territory to produce for examination, or to allow access to, any account or other record for the purposes of determining a computed value. However, information supplied by the producer of the goods for the purposes of determining the customs value under the provisions of this Article may be verified in another country by the authorities of the country of importation with the agreement of the producer and provided they give sufficient advance notice to the government of the country in question and the latter does not object to the investigation.

Article 7

1. If the customs value of the imported goods cannot be determined under the provisions of Articles 1 to 6 of this Annex inclusive, the customs value shall be determined using reasonable means consistent with the principles and general provisions of this Annex and on the basis of data available in the country of importation.

2. No customs value shall be determined under the provisions of this Article on the basis of:

(a) the selling price in the country of importation of goods produced in such country;

(b) a system which provides for the acceptance for customs purposes of the higher of two alternative values;

(c) the price of goods on the domestic market of the country of exportation;

(d) the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of Article 6 of this Annex;

(e) the price of the goods for export to a country other than the country of importation;

(f) minimum customs values; or

(g) arbitrary or fictitious values.

3. If he so requests, the importer shall be informed in writing of the customs value determined under the provisions of this Article and the method used to determine such value.

Article 8

1. In determining the customs value under the provisions of Article 1 of this Annex, there shall be added to the price actually paid or payable for the imported goods:

(a) the following, to the extent that they are incurred by the buyer but are not included in the price actually paid or payable for the goods:

i. commissions and brokerage, except buying commissions;
ii. the cost of containers which are treated as being one for customs purposes with the goods in question;
iii. the cost of packing whether for labour or materials;

(b) the value, apportioned as appropriate, of the following goods and services where provided directly or indirectly by the buyer to the seller free of charge or at reduced cost for use in connection with the production and sale for export of the imported goods, to the extent that such value has not been included in the price actually paid or payable:

i. materials, components, parts and similar items incorporated in the imported goods;
ii. tools, dies, molds and similar items used in the production of the imported goods;
iii. materials consumed in the production of the imported goods;
iv. engineering, development, artwork, design work, plans and sketches undertaken elsewhere than in the country of importation and necessary for the production of the imported goods;

(c) royalties and license fees related to the goods being valued that the buyer must pay, either directly or indirectly, as a condition of sale of the goods being valued, to the extent that such royalties and fees are not included in the price actually paid or payable;

(d) the value of any part of the proceeds of any subsequent resale, disposal or use of the imported goods that accrues directly or indirectly to the seller;

(e) the cost of transport of the imported goods to the port or place of importation;

(f) loading, unloading and handling charges associated with the transport of the imported goods to the port or place of importation; and

(g) the cost of insurance in connection with the operations mentioned in subparagraphs (e) and (f) of this paragraph.

2. Additions to the price actually paid or payable under this Article shall be made only on the basis of objective and quantifiable data.

3. No additions shall be made to the price actually paid or payable in determining the customs value except as provided in this Article.

Article 9

Where the conversion of currency is necessary for the determination of the customs value, the rate of exchange to be used shall be stipulated by the competent authorities of the country of importation at the day of registration of customs declaration by the customs authority of the country of importation.

Article 10

All information which is by nature confidential or which is provided on a confidential basis for the purposes of customs valuation shall be treated as strictly confidential by the authorities concerned who shall not disclose it without the specific permission of the person or government providing such information, except to the extent that it may be required in accordance with the national legislation of the country of importation.

Article 11

1. The legislation of each Party shall provide in regard to a determination of customs value for the right of appeal, without penalty, by the importer or any other person liable for the payment of the duty.

2. An initial right of appeal without penalty may be to an authority within the customs administration or to an independent body, but the legislation of each Party shall provide for the right of appeal without penalty to a judicial authority.

3. Notice of the decision on appeal shall be given to the appellant and the reasons for such decision shall be provided in writing. He shall also be informed of his rights of any further appeal.

Article 12

If, in the course of determining the customs value of imported goods, it becomes necessary to delay the final determination of such customs value, the importer of the goods shall nevertheless be able to withdraw them from customs if, where so required, the importer provides sufficient guarantee in the form of a surety, a deposit or some other appropriate instrument, covering the ultimate payment of customs duties for which the goods may be liable. The legislation of each Party shall make provisions for such circumstances.

Article 13

The Interpretative notes to this Annex form an integral part of this Annex and the Articles of this Annex are to be read and applied in conjunction with their respective notes.

Article 14

1. In this Annex:

(a) **"customs value of imported goods"** means the value of goods for the purposes of levying ad valorem duties of customs on imported goods;
(b) **"produced"** includes grown, manufactured and mined;
(c) **"identical goods"** means goods which are the same in all respects, including physical characteristics, quality and reputation. Minor differences in appearance would not preclude goods otherwise conforming to the definition from being regarded as identical;
(d) **"similar goods"** means goods which, although not alike in all respects, have like characteristics and like component materials which enable them to perform the same functions and to be commercially interchangeable. The quality of the goods, their reputation

and the existence of a trademark are among the factors to be considered in determining whether goods are similar.

The terms "identical goods" and "similar goods" do not include, as the case may be, goods which incorporate or reflect engineering, development, artwork, design work, and plans and sketches for which no adjustment has been made under paragraph 1(b)(iv) of Article 8 of this Annex because such elements were undertaken in the country of importation.

Goods shall not be regarded as "identical goods" or "similar goods" unless they were produced in the same country as the goods being valued.

Goods produced by a different person shall be taken into account only when there are no identical goods or similar goods, as the case may be, produced by the same person as the goods being valued.

(e) **"goods of the same class or kind"** means goods which fall within a group or range of goods produced by a particular industry or industry sector, and includes identical or similar goods.

2. For the purposes of this Annex, persons shall be deemed to be related only if:

(a) they are officers or directors of one another's businesses;
(b) they are legally recognized partners in business;
(c) they are employer and employee;
(d) any person directly or indirectly owns, controls or holds 5 per cent or more of the outstanding voting stock or shares of both of them;
(e) one of them directly or indirectly controls the other;
(f) both of them are directly or indirectly controlled by a third person;
(g) together they directly or indirectly control a third person; or
(h) they are members of the same family.

3. Persons who are associated in business with one another in that one is the sole agent, sole distributor or sole concessionaire, however described, of the other shall be deemed to be related for the purposes of this Annex if they fall within the criteria of paragraph 2 of this Article.

Article 15

Upon written request, the importer shall have the right to an explanation in writing from the customs administration of the country of importation as to how the customs value of his imported goods was determined.

Article 16

Nothing in this Annex shall be construed as restricting or calling into question the rights of customs authorities to satisfy themselves as to the truth or accuracy of any statement, document or declaration presented for customs valuation purposes.

Interpretative Notes to Annex 5

General Note
Sequential Application of Valuation Methods

1. Articles 1 through 7 define how the customs value of imported goods is to be determined under the provisions of Annex 5. The methods of valuation are set out in a sequential order of application. The primary method for customs valuation is defined in Article 1 and imported goods are to be valued in accordance with the provisions of this Article whenever the conditions prescribed therein are fulfilled.
2. Where the customs value cannot be determined under the provisions of Article 1, it is to be determined by proceeding sequentially through the succeeding Articles to the first such Article under which the customs value can be determined. Except as provided in Article 4, it is only when the customs value cannot be determined under the provisions of a particular Article that the provisions of the next Article in the sequence can be used.
3. If the importer does not request that the order of Articles 5 and 6 be reversed, the normal order of the sequence is to be followed. If the importer does so request but it then proves impossible to determine the customs value under the provisions of Article 6, the customs value is to be determined under the provisions of Article 5, if it can be so determined.
4. Where the customs value cannot be determined under the provisions of Articles 1 through 6 it is to be determined under the provisions of Article 7.

Use of Generally Accepted Accounting Principles

1. "Generally accepted accounting principles" refers to the recognized consensus or substantial authoritative support within a country at a particular time as to which economic resources and obligations should be recorded as assets and liabilities, which changes in assets and liabilities should be recorded, how the assets and liabilities and changes in them should be measured, what information should be disclosed and how it should be disclosed, and which

financial statements should be prepared. These standards may be broad guidelines of general application as well as detailed practices and procedures.

2. For the purposes of Annex 5, the customs administration of each Party shall utilize information prepared in a manner consistent with generally accepted accounting principles in the country which is appropriate for the Article in question. For example, the determination of usual profit and general expenses under the provisions of Article 5 would be carried out utilizing information prepared in a manner consistent with generally accepted accounting principles of the country of importation. On the other hand, the determination of usual profit and general expenses under the provisions of Article 6 would be carried out utilizing information prepared in a manner consistent with generally accepted accounting principles of the country of production. As a further example, the determination of an element provided for in paragraph 1(b)(ii) of Article 8 undertaken in the country of importation would be carried out utilizing information in a manner consistent with the generally accepted accounting principles of that country.

Note to Article 1
Price Actually Paid or Payable

1. The price actually paid or payable is the total payment made or to be made by the buyer to or for the benefit of the seller for the imported goods. The payment need not necessarily take the form of a transfer of money. Payment may be made by way of letters of credit or negotiable instruments. Payment may be made directly or indirectly. An example of an indirect payment would be the settlement by the buyer, whether in whole or in part, of a debt owed by the seller.

2. Activities undertaken by the buyer on the buyer's own account, other than those for which an adjustment is provided in Article 8, are not considered to be an indirect payment to the seller, even though they might be regarded as of benefit to the seller. The costs of such activities shall not, therefore, be added to the price actually paid or payable in determining the customs value.

3. The customs value shall not include the following charges or costs, provided that they are distinguished from the price actually paid or payable for the imported goods:

(a) charges for construction, erection, assembly, maintenance or technical assistance, undertaken after importation on imported goods such as industrial plant, machinery or equipment;

(b) the cost of transport after importation;

(c) duties and taxes of the country of importation.

4. The price actually paid or payable refers to the price for the imported goods. Thus the flow of dividends or other payments from the buyer to the seller that do not relate to the imported goods are not part of the customs value.

5. The price actually paid or payable includes all payments actually made or to be made as a condition of sale of the imported goods, by the buyer to the seller, or by the buyer to a third party to satisfy an obligation of the seller.

Paragraph 1(a)(iii)

Among restrictions which would not render a price actually paid or payable unacceptable are restrictions which do not substantially affect the value of the goods. An example of such restrictions would be the case where a seller requires a buyer of automobiles not to sell or exhibit them prior to a fixed date which represents the beginning of a model year.

Paragraph 1(b)

1. If the sale or price is subject to some condition or consideration for which a value cannot be determined with respect to the goods being valued, the transaction value shall not be acceptable for customs purposes. Some examples of this include:

(a) the seller establishes the price of the imported goods on condition that the buyer will also buy other goods in specified quantities;

(b) the price of the imported goods is dependent upon the price or prices at which the buyer of the imported goods sells other goods to the seller of the imported goods;

(c) the price is established on the basis of a form of payment extraneous to the imported goods, such as where the imported goods are semi-finished goods which have been provided by the seller on condition that the seller will receive a specified quantity of the finished goods.

2. However, conditions or considerations relating to the production or marketing of the imported goods shall not result in rejection of the transaction value. For example, the fact that the buyer furnishes the seller with engineering and plans undertaken in the country of importation shall not result in rejection of the transaction value for the purposes of Article 1. Likewise, if the buyer undertakes on the buyer's own account, even though by agreement with the seller, activities relating to the marketing of the imported goods, the value of these activities is not part of the customs value nor shall such activities result in rejection of the transaction value.

Paragraph 2

1. Paragraphs 2(a) and 2(b) provide different means of establishing the acceptability of a transaction value.

2. Paragraph 2(a) provides that where the buyer and the seller are related, the circumstances surrounding the sale shall be examined and the transaction value shall be accepted as the customs value provided that the relationship did not influence the price. It is not intended that there should be an examination of the circumstances in all cases where the buyer and the seller are related. Such examination will only be required where there are doubts about the acceptability of the price. Where the customs administration have no doubts about the acceptability of the price, it should be accepted without requesting further information from the importer. For example, the customs administration may have previously examined the relationship, or it may already have detailed information concerning the buyer and the seller, and may already be satisfied from such examination or information that the relationship did not influence the price.

3. Where the customs administration is unable to accept the transaction value without further inquiry, it should give the importer an opportunity to supply such further detailed information as may be necessary to enable it to examine the circumstances surrounding the sale. In this context, the customs administration should be prepared to examine relevant aspects of the transaction, including the way in which the buyer and seller organize their commercial relations and the way in which the price in question was arrived at, in order to determine whether the relationship influenced the price. Where it can be shown that the buyer and seller, although related under the provisions of Article 14, buy from and sell to each other as if they were not

related, this would demonstrate that the price had not been influenced by the relationship. As an example of this, if the price had been settled in a manner consistent with the normal pricing practices of the industry in question or with the way the seller settles prices for sales to buyers who are not related to the seller, this would demonstrate that the price had not been influenced by the relationship. As a further example, where it is shown that the price is adequate to ensure recovery of all costs plus a profit which is representative of the firm's overall profit realized over a representative period of time (e.g. on an annual basis) in sales of goods of the same class or kind, this would demonstrate that the price had not been influenced.

4. Paragraph 2(b) provides an opportunity for the importer to demonstrate that the transaction value closely approximates to a "test" value previously accepted by the customs administration and is therefore acceptable under the provisions of Article 1. Where a test under paragraph 2(b) is met, it is not necessary to examine the question of influence under paragraph 2(a). If the customs administration has already sufficient information to be satisfied, without further detailed inquiries, that one of the tests provided in paragraph 2(b) has been met, there is no reason for it to require the importer to demonstrate that the test can be met. In paragraph 2(b) the term "unrelated buyers" means buyers who are not related to the seller in any particular case.

Paragraph 2(b)

A number of factors must be taken into consideration in determining whether one value "closely approximates" to another value. These factors include the nature of the imported goods, the nature of the industry itself, the season in which the goods are imported, and, whether the difference in values is commercially significant. Since these factors may vary from case to case, it would be impossible to apply a uniform standard such as a fixed percentage, in each case. For example, a small difference in value in a case involving one type of goods could be unacceptable while a large difference in a case involving another type of goods might be acceptable in determining whether the transaction value closely approximates to the "test" values set forth in paragraph 2(b) of Article 1.

Note to Article 2

1. In applying Article 2, the customs administration shall, wherever possible, use a sale of identical goods at the same commercial level and in substantially the same quantities as the goods being valued. Where no such sale is found, a sale of identical goods that takes place under any one of the following three conditions may be used:

(a) a sale at the same commercial level but in different quantities;

(b) a sale at a different commercial level but in substantially the same quantities; or

(c) a sale at a different commercial level and in different quantities.

2. Having found a sale under any one of these three conditions adjustments will then be made, as the case may be, for:

(a) quantity factors only;

(b) commercial level factors only; or

(c) both commercial level and quantity factors.

3. The expression "and/or" allows the flexibility to use the sales and make the necessary adjustments in any one of the three conditions described above.

4. For the purposes of Article 2, the transaction value of identical imported goods means a customs value, adjusted as provided for in paragraphs 1(b) and 2, which has already been accepted under Article 1.

5. A condition for adjustment because of different commercial levels or different quantities is that such adjustment, whether it leads to an increase or a decrease in the value, be made only on the basis of demonstrated evidence that clearly establishes the reasonableness and accuracy of the adjustments, e.g. valid price lists containing prices referring to different levels or different quantities. As an example of this, if the imported goods being valued consist of a shipment of 10 units and the only identical imported goods for which a transaction value exists involved a sale of 500 units, and it is recognized that the seller grants quantity discounts, the required adjustment may be accomplished by resorting to the seller's price list and using that price applicable to a sale of 10 units. This does not require that a sale had to have been made in quantities of 10 as long as the price list has been established as being bona fide through sales at other quantities. In the absence of such an objective measure, however, the determination of a customs value under the provisions of Article 2 is not appropriate.

Note to Article 3

1. In applying Article 3, the customs administration shall, wherever possible, use a sale of similar goods at the same commercial level and in substantially the same quantities as the goods being valued. Where no such sale is found, a sale of similar goods that takes place under any one of the following three conditions may be used:

(a) a sale at the same commercial level but in different quantities;

(b) a sale at a different commercial level but in substantially the same quantities; or

(c) a sale at a different commercial level and in different quantities.

2. Having found a sale under any one of these three conditions adjustments will then be made, as the case may be, for:

(a) quantity factors only;

(b) commercial level factors only; or

(c) both commercial level and quantity factors.

3. The expression "and/or" allows the flexibility to use the sales and make the necessary adjustments in any one of the three conditions described above.

4. For the purpose of Article 3, the transaction value of similar imported goods means a customs value, adjusted as provided for in paragraphs 1(b) and 2, which has already been accepted under Article 1.

5. A condition for adjustment because of different commercial levels or different quantities is that such adjustment, whether it leads to an increase or a decrease in the value, be made only on the basis of demonstrated evidence that clearly establishes the reasonableness and accuracy of the adjustment, e.g. valid price lists containing prices referring to different levels or different quantities. As an example of this, if the imported goods being valued consist of a shipment of 10 units and the only similar imported goods for which a transaction value exists involved a sale of 500 units, and it is recognized that the seller grants quantity discounts, the required adjustment may be accomplished by resorting to the seller's price list and using that price applicable to a sale of 10 units. This does not require that a sale had to have been made in quantities of 10 as long as the price list has been established as being bona fide through sales at other quantities. In the absence of such an objective measure, however, the determination of a customs value under the provisions of Article 3 is not appropriate.

Note to Article 5

1. The term "unit price at which ... goods are sold in the greatest aggregate quantity" means the price at which the greatest number of units is sold in sales to persons who are not related to the persons from whom they buy such goods at the first commercial level after importation at which such sales take place.

2. As an example of this, goods are sold from a price list which grants favourable unit prices for purchases made in larger quantities.

Sale quantity	Unit price	Number of sales	Total quantity sold at each price
1-10 units	100	10 sales of 5 units 5 sales of 3 units	65
11-25 units	95	5 sales of 11 units	55
over 25 units	90	1 sale of 30 units 1 sale of 50 units	80

The greatest number of units sold at a price is 80; therefore, the unit price in the greatest aggregate quantity is 90.

3. As another example of this, two sales occur. In the first sale 500 units are sold at a price of 95 currency units each. In the second sale 400 units are sold at a price of 90 currency units each. In this example, the greatest number of units sold at a particular price is 500; therefore, the unit price in the greatest aggregate quantity is 95.

4. A third example would be the following situation where various quantities are sold at various prices.

(a) Sales	
Sale quantity	Unit price
40 units	100
30 units	90

15 units	100
50 units	95
25 units	105
35 units	90
5 units	100
(b) Totals	
Total quantity sold	Unit price
65	90
50	95
60	100
25	105

In this example, the greatest number of units sold at a particular price is 65; therefore, the unit price in the greatest aggregate quantity is 90.

5. Any sale in the importing country, as described in paragraph 1 above, to a person who supplies directly or indirectly free of charge or at reduced cost for use in connection with the production and sale for export of the imported goods any of the elements specified in paragraph 1(b) of Article 8, should not be taken into account in establishing the unit price for the purposes of Article 5.

6. It should be noted that "profit and general expenses" referred to in paragraph 1 of Article 5 should be taken as a whole. The figure for the purposes of this deduction should be determined on the basis of information supplied by or on behalf of the importer unless the importer's figures are inconsistent with those obtained in sales in the country of importation of imported goods of the same class or kind. Where the importer's figures are inconsistent with such figures, the amount for profit and general expenses may be based upon relevant information other than that supplied by or on behalf of the importer.

7. The "general expenses" include the direct and indirect costs of marketing the goods in question.

8. Local taxes payable by reason of the sale of the goods for which a deduction is not made under the provisions of paragraph 1(a)(iv) of Article 5 shall be deducted under the provisions of paragraph 1(a)(i) of Article 5.

9. In determining either the commissions or the usual profits and general expenses under the provisions of paragraph 1 of Article 5, the question whether certain goods are "of the same class or kind" as other goods must be determined on a case-by-case basis by reference to the circumstances involved. Sales in the country of importation of the narrowest group or range of imported goods of the same class or kind, which includes the goods being valued, for which the necessary information can be provided, should be examined. For the purposes of Article 5, "goods of the same class or kind" includes goods imported from the same country as the goods being valued as well as goods imported from other countries.

10. For the purposes of paragraph 1(b) of Article 5, the "earliest date" shall be the date by which sales of the imported goods or of identical or similar imported goods are made in sufficient quantity to establish the unit price.

11. Where the method in paragraph 2 of Article 5 is used, deductions made for the value added by further processing shall be based on objective and quantifiable data relating to the cost of such work. Accepted industry formulas, recipes, methods of construction, and other industry practices would form the basis of the calculations.

12. It is recognized that the method of valuation provided for in paragraph 2 of Article 5 would normally not be applicable when, as a result of the further processing, the imported goods lose their identity. However, there can be instances where, although the identity of the imported goods is lost, the value added by the processing can be determined accurately without unreasonable difficulty. On the other hand, there can also be instances where the imported goods maintain their identity but form such a minor element in the goods sold in the country of importation that the use of this valuation method would be unjustified. In view of the above, each situation of this type must be considered on a case-by-case basis.

Note to Article 6

1. As a general rule, customs value is determined under Annex 5 on the basis of information readily available in the country of importation. In order to determine a computed value, however, it may be necessary to examine the costs of producing the goods being valued and other information which has to be obtained from outside the country of importation. Furthermore, in most cases the producer of the goods will be outside the jurisdiction of the authorities of the country of importation. The use of the computed value method will generally be limited to those cases where the buyer and seller are related, and the producer is prepared to supply to the authorities of the country of importation the necessary costings and to provide facilities for any subsequent verification which may be necessary.

2. The "cost or value" referred to in paragraph 1(a) of Article 6 is to be determined on the basis of information relating to the production of the goods being valued supplied by or on behalf of the producer. It is to be based upon the commercial accounts of the producer, provided that such accounts are consistent with the generally accepted accounting principles applied in the country where the goods are produced.

3. The "cost or value" shall include the cost of elements specified in paragraphs 1(a)(ii) and (iii) of Article 8. It shall also include the value, apportioned as appropriate under the provisions of the relevant note to Article 8, of any element specified in paragraph 1(b) of Article 8 which has been supplied directly or indirectly by the buyer for use in connection with the production of the imported goods. The value of the elements specified in paragraph 1(b)(iv) of Article 8 which are undertaken in the country of importation shall be included only to the extent that such elements are charged to the producer. It is to be understood that no cost or value of the elements referred to in this paragraph shall be counted twice in determining the computed value.

4. The "amount for profit and general expenses" referred to in paragraph 1(b) of Article 6 is to be determined on the basis of information supplied by or on behalf of the producer unless the producer's figures are inconsistent with those usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to the country of importation.

5. It should be noted in this context that the "amount for profit and general expenses" has to be taken as a whole. It follows that if, in any particular case, the producer's profit figure is low and the producer's general expenses are high, the producer's profit and general expenses taken together may nevertheless be consistent with that usually reflected in sales of goods of the same class or kind. Such a situation might occur, for example, if a product were being launched in the country of importation and the producer accepted a nil or low profit to offset high general expenses associated with the launch. Where the producer can demonstrate a low profit on sales of the imported goods because of particular commercial circumstances, the producer's actual profit figures should be taken into account provided that the producer has valid commercial reasons to justify them and the producer's pricing policy reflects usual pricing policies in the branch of industry concerned. Such a situation might occur, for example, where producers have been forced to lower prices temporarily because of an unforeseeable drop in demand, or where they sell goods to complement a range of goods being produced in the country of importation and accept a low profit to maintain competitivity. Where the producer's own figures for profit and general expenses are not consistent with those usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to the country of importation, the amount for profit and general expenses may be based upon relevant information other than that supplied by or on behalf of the producer of the goods.

6. Where information other than that supplied by or on behalf of the producer is used for the purposes of determining a computed value, the authorities of the importing country shall inform the importer, if the latter so requests, of the source of such information, the data used and the calculations based upon such data, subject to the provisions of Article 10.

7. The "general expenses" referred to in paragraph 1(b) of Article 6 covers the direct and indirect costs of producing and selling the goods for export which are not included under paragraph 1(a) of Article 6.

8. Whether certain goods are "of the same class or kind" as other goods must be determined on a case-by-case basis with reference to the circumstances involved. In determining the usual profits and general expenses under the provisions of Article 6, sales for export to the country of importation of the narrowest group or range of goods, which includes the goods being valued, for which the necessary information can be provided, should be

examined. For the purposes of Article 6, "goods of the same class or kind" must be from the same country as the goods being valued.

Note to Article 7

1. Customs values determined under the provisions of Article 7 should, to the greatest extent possible, be based on previously determined customs values.

2. The methods of valuation to be employed under Article 7 should be those laid down in Articles 1 through 6 but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of Article 7.

3. Some examples of reasonable flexibility are as follows:

   (a) Identical goods – the requirement that the identical goods should be exported at or about the same time as the goods being valued could be flexibly interpreted; identical imported goods produced in a country other than the country of exportation of the goods being valued could be the basis for customs valuation; customs values of identical imported goods already determined under the provisions of Articles 5 and 6 could be used.

   (b) Similar goods – the requirement that the similar goods should be exported at or about the same time as the goods being valued could be flexibly interpreted; similar imported goods produced in a country other than the country of exportation of the goods being valued could be the basis for customs valuation; customs values of similar imported goods already determined under the provisions of Articles 5 and 6 could be used.

   (c) Deductive method – the requirement that the goods shall have been sold in the "condition as imported" in paragraph 1(a) of Article 5 could be flexibly interpreted; the "90 days" requirement could be administered flexibly.

Note to Article 8
Paragraph 1(a)(i)

The term "buying commissions" means fees paid by an importer to the importer's agent for the service of representing the importer abroad in the purchase of the goods being valued.

Paragraph 1(b)(ii)

1. There are two factors involved in the apportionment of the elements specified in paragraph 1(b)(ii) of Article 8 to the imported goods – the value of the element itself and the way in which that value is to be apportioned to the imported goods. The apportionment of these elements should be made in a reasonable manner appropriate to the circumstances and in accordance with generally accepted accounting principles.
2. Concerning the value of the element, if the importer acquires the element from a seller not related to the importer at a given cost, the value of the element is that cost. If the element was produced by the importer or by a person related to the importer, its value would be the cost of producing it. If the element had been previously used by the importer, regardless of whether it had been acquired or produced by such importer, the original cost of acquisition or production would have to be adjusted downward to reflect its use in order to arrive at the value of the element.
3. Once a value has been determined for the element, it is necessary to apportion that value to the imported goods. Various possibilities exist. For example, the value might be apportioned to the first shipment if the importer wishes to pay duty on the entire value at one time. As another example, the importer may request that the value be apportioned over the number of units produced up to the time of the first shipment. As a further example, the importer may request that the value be apportioned over the entire anticipated production where contracts or firm commitments exist for that production. The method of apportionment used will depend upon the documentation provided by the importer.
4. As an illustration of the above, an importer provides the producer with a mould to be used in the production of the imported goods and contracts with the producer to buy 10,000 units. By the time of arrival of the first shipment of 1,000 units, the producer has already produced 4,000 units.

The importer may request the customs administration to apportion the value of the mould over 1,000 units, 4,000 units or 10,000 units.

Paragraph 1(b)(iv)

1. Additions for the elements specified in paragraph 1(b)(iv) of Article 8 should be based on objective and quantifiable data. In order to minimize the burden for both the importer and customs administration in determining the values to be added, data readily available in the buyer's commercial record system should be used in so far as possible.

2. For those elements supplied by the buyer which were purchased or leased by the buyer, the addition would be the cost of the purchase or the lease. No addition shall be made for those elements available in the public domain, other than the cost of obtaining copies of them.

3. The ease with which it may be possible to calculate the values to be added will depend on a particular firm's structure and management practice, as well as its accounting methods.

4. For example, it is possible that a firm which imports a variety of products from several countries maintains the records of its design centre outside the country of importation in such a way as to show accurately the costs attributable to a given product. In such cases, a direct adjustment may appropriately be made under the provisions of Article 8.

5. In another case, a firm may carry the cost of the design centre outside the country of importation as a general overhead expense without allocation to specific products. In this instance, an appropriate adjustment could be made under the provisions of Article 8 with respect to the imported goods by apportioning total design centre costs over total production benefiting from the design centre and adding such apportioned cost on a unit basis to imports.

6. Variations in the above circumstances will, of course, require different factors to be considered in determining the proper method of allocation.

7. In cases where the production of the element in question involves a number of countries and over a period of time, the adjustment should be limited to the value actually added to that element outside the country of importation.

Paragraph 1(c)

1. The royalties and license fees referred to in paragraph 1(c) of Article 8 may include, among other things, payments in respect to patents, trademarks and copyrights. However, the charges for the right to reproduce the imported goods in the country of importation shall not be added to the price actually paid or payable for the imported goods in determining the customs value.

2. Payments made by the buyer for the right to distribute or resell the imported goods shall not be added to the price actually paid or payable for the imported goods if such payments are not a condition of the sale for export to the country of importation of the imported goods.

Paragraph 3

Where objective and quantifiable data do not exist with regard to the additions required to be made under the provisions of Article 8, the transaction value cannot be determined under the provisions of Article 1. As an illustration of this, a royalty is paid on the basis of the price in a sale in the importing country of a litre of a particular product that was imported by the kilogram and made up into a solution after importation. If the royalty is based partially on the imported goods and partially on other factors which have nothing to do with the imported goods (such as when the imported goods are mixed with domestic ingredients and are no longer separately identifiable, or when the royalty cannot be distinguished from special financial arrangements between the buyer and the seller), it would be inappropriate to attempt to make an addition for the royalty. However, if the amount of this royalty is based only on the imported goods and can be readily quantified, an addition to the price actually paid or payable can be made.

Note to Article 11

1. Article 11 provides the importer with the right to appeal against a valuation determination made by the customs administration for the goods being valued. Appeal may first be to a higher level in the customs administration, but the importer shall have the right in the final instance to appeal to the judiciary.

2. "Without penalty" means that the importer shall not be subject to a fine or threat of fine merely because the importer chose to exercise the right of appeal. Payment of normal court costs and lawyers' fees shall not be considered to be a fine.
3. However, nothing in Article 11 shall prevent a Party from requiring full payment of assessed customs duties prior to an appeal.

Note to Article 14
Paragraph 2

For the purposes of Article 14, the term "persons" includes a legal person, where appropriate.

Paragraph 2(e)

For the purposes of Annex 5, one person shall be deemed to control another when the former is legally or operationally in a position to exercise restraint or direction over the latter.

ANNEX 6

PUBLICATION OF LAWS AND REGULATIONS AND INFORMATION ON GOVERNMENT PROCUREMENT[1]

For the Republic of Armenia, on official web-site – https://www.armeps.am; https://www.procurement.am/
For the Republic of Belarus, on official web-sites – https://gias.by/; https://pravo.by/; http://www.zakupki.butb.by/ ; https://goszakupki.by/
For the Republic of Kazakhstan, on official web-sites – https://goszakup.gov.kz/; https://adilet.zan.kz/eng
For the Kyrgyz Republic, on official web-site – http://www.zakupki.gov.kg/popp/
For the Russian Federation, on official web-sites – https://zakupki.gov.ru; http://www.pravo.gov.ru/
For the Islamic Republic of Iran, on official web-site – https://setadiran.ir/setad/cms

[1] In the event of any change to the abovementioned websites, the respective Party will notify the other Party on such a change through its contact points.