Foreword Notes for the List stipulated in Annex (2)(C)

Note (1):

The List sets the required conditions for all the products so as to be considered subject to adequate operation or production processes in the scope of Article (5) of this Protocol.

Note (2):

1/2 The first two columns in the List describe the product that was obtained. The first column includes the number of the heading or chapter which is used in the Harmonized System and the second column contains a description of the Goods used in this System for that heading or chapter. For each entry in the first two columns there is a set rule in columns (3) or (4). Entry into column one, in some cases, is preceded by the letters “ex” which illustrates that the said rules in columns 3 or 4 are effective only for the part of the heading as is shown in column no. (2).

2/2 When a number of headings are combined in column no. (1) or the no. of a chapter is given followed by the general description of the products in column no. (2), then the rules stipulated in columns (3) or (4) shall apply to all the products, which are listed in the Harmonized System in the headings of the customs chapter or in any of the headings combined in column no. (1).

3/2 In case there are different rules in the list that apply to different products in one heading then each part contains a description for that part of the heading which is covered by the rules stipulated in columns (3) or (4).

4/2 In case of setting a rule for each of columns (3) and (4) to enter the first two columns, then the exporter has the right to choose between the two alternatives in order to apply either the rule stipulated in column no. (3) or that stipulated in column no. (4). If a rule of origin is not given in column no. (4) the rule stipulated in column no. (3) must be applied.

Note (3):

1/3 The provisions of Article (5) of this Protocol regarding the products that have gained the origin attribute and that are used in the manufacture of other products shall be applicable regardless if the origin attribute had been gained inside the plant in which these products were used or in another plant in a Member Country.

Example:
When a motor heading no. (8407) is manufactured and is subject to the rule that states that the value of the materials that do not enjoy an origin tribute which can be part of its production cannot exceed 40% of its value delivery just in time. These materials
that do not enjoy the origin attribute are manufactured from other steel mold that were formed by “hammering” and are stipulated under heading no. (7224) “ex”.

If the “hammering” process of a mold that does not have the origin attribute is carried out in a Member Country, then it will have gained the origin attribute by virtue of the rule for heading no. (7224) “ex” in the List. Therefore it is possible to calculate that a hammered piece an origin attribute in the calculation of the value of the motor regardless if it was produced by the same plant or another plant in the Member Country. The value of the mold shall not be taken into account if it does not have the origin attribute when the value of the used materials that do not have an origin attribute are combined.

2/3 The rule stipulated in the List contains the minimum of the necessary operation or production processes and that carrying out more operation or production processes will also grant the origin attribute, otherwise carrying out more operation and production processes shall also grant the origin attribute. Thus when a rule allows for the use of materials that do not enjoy the origin attribute at a certain stage in manufacturing then these materials may be used during an early stage of manufacturing and not at a later stage.

3/3 Without prejudice to the provisions of Note (3/2) when a rule stipulates that “it is permissible to use materials from any heading” then materials may also be used from the same heading of the product in accordance with any set restrictions that may have been stated in the rule. In any case the phrase “manufactured from materials of any heading including other materials from the heading no. …” shall denote only the materials stipulated in the same heading of the product and that have specifications different from the specifications of the product as stated in column no. (2) of the List, may be used.

4/3 When a rule in the List stipulates that it is possible to manufacture a product from more than one material then this denotes that it is possible to use one material or more and that it is not required to use all these materials.

Example:

Rules no. (5208) to (5212) regarding fabrics state that it is possible to use natural fibers, chemical materials, and other materials, but this does not denote that both materials must be used as it is possible to use one material or the other or both.

5/3 When a rule in the List states that it is possible to manufacture a product from a specific material then the rule does not prohibit the use of other materials that do not fulfill the conditions because of their acquired nature (see also rule 2/6 hereunder regarding textiles).

Example:

The rule regarding prepared foods heading no. (1904) that stipulates the exclusion of the used of harvests and their by-products does not prohibit the use of mineral salts, chemicals and any other additions that are not the product of harvests.
In spite of that, this does not apply to the products, which even though they cannot be produced from certain materials set in the List, they may be produced from materials with a similar nature and that during the early stages of manufacturing.

Example:

In the case of one of the clothing products in chapter (62) “ex” manufactured from unwoven materials, if it is only permissible to use spinning that does not have the origin attribute of that product then it is not possible to begin with unwoven fabric even if it is impossible to produce unwoven fabric from the spinning. In such cases, the materials that may be used to begin from are usually in the pre-spin stage which is the stage of the fibers.

6/3 When two percentages are given in the rule in the List for the maximum limit for the value of the materials that do not have an origin attribute which may be used then those two percentages may not be combined, in other words the maximum value for all those used materials that do not have an origin attribute may not exceed the highest given percentage. In addition to that the percentages must not exceed the individual percentage for the specific materials on which they are applied.

Note (4):

1/4 The term “natural fibers” used in the List shall be used to refer to fibers contrary to industrial or multiple fibers. They are limited to the phases that precede the spinning process and include, unless otherwise specified, the rubbish (الفايات؟), carded and combed fibers or those that were prepared but were not woven.

2/4 The term “natural fibers” shall include horse hair heading no. (0503), silk headings no. (5002) or (5003), wool fibers and coarse or fine animal hair headings no. (5101) to (5105), cotton fibers headings no. (5201) to (5203) and any other vegetable fibers headings no. (5201) and (5305).

3/4 The following terms are used in the List, “textile pulp”, “chemical materials”, “paper production materials” to describe materials not listed in chapters (50) to (63) and which may be used to manufacture synthetic, multiple, paper or woven fibers.

4/4 The term “synthetic fibers” stated in the List shall be used to describe the thread or industrial and multiple fibers or their bast (عوادمها) headings no. (5501) to (5507).

Note (5):

1/5 When this note is referred to in regard to any product in the List then the conditions stipulated in the third column will not apply to any basic raw
materials for the textile that is used in the production of this product and which all represent 10% or less of the total weight of the used basic textile materials (see also Notes no. (3/5) and (4/5)).

2/5 In all cases the permission stipulated in Note (1/5) may only be applied to the mixed products that are produced from two materials or more from the basic materials of textiles.

Following are the basic materials for textile:
- silk
- wool
- coarse animal hair
- fine animal hair
- horse hair
- cotton
- paper producing materials, paper
- flax
- hemp thread
- jute and other textile bast fibers
- sisal and other textile fibers of the genus Agave
- coconut, abaca, اﻟﺮاﻣﻲ
- multiple threads
- industrial threads
- polypropylene
- multiple polyester fibers
- multiple polyamide fibers
- multiple polyacrylonitrile (البولياكريلونيتريلي) fibers
- multiple poly phiniline sulphide (بوولي فينيلين نيتريلي) fibers
- other industries
- spinning made from ployethane
- products from heading no. (5606) (metallised threads) in which aluminum or plastic chips are used whether same are covered with aluminum powder or not, its width not exceeding 5 mm between two layers of plastic by
- colored or transparent adhesive
- other products from heading (5605)

Example:

The spinning from heading (5205) produced from the fibers heading no. (5203) and multiple fibers heading no. (5506) is a mixed spinning. Therefore it is possible to use multiple fibers that do not fulfill the rules of origin (that require production from chemical materials or textiles pulp) and that up to 10% of the weight of the spinning.

Example:

The wool fabric in heading no. (5112) is produced from wool spinning heading no. (5107) and multiple fibers heading no. (5509) is a mixed fabric. Therefore a multiple spinning that does not contain the rules of origin (which should be produced from chemical materials of textile pulp) or wool spinning that does not contain the rules of origin (which should be produced from natural fibers that are not carded, combed or
prepared for spinning) or a mix of the two, which may be used provided that its total weight does not exceed 10% of the weight of the material.

*Example:*

The cabled fabric heading (5802) manufactured from cotton spinning heading no. (5205) and cotton fabric heading no. (5210) shall be considered a mixed product only if the cotton fabric itself is mixed spinning produced from a spinning classified in two separate headings or if the used cotton spinning is mixed.

*Example:*

If the cabled fabric is produced from cotton spinning heading no. (5202) and multiple fabric heading no. (5407) it is clear that the used spinning is made from two separate types of textile materials and that the cabled fabric is a mixed product.

*Example:*

A carpet with knots made from industrial spinning and cotton spinning and a backside from jute is considered a mixed product because three basic textile raw materials were used. Therefore materials that do not have an origin attribute may be used which enter at a later stage of production when the rule allows that provided its total weight does not exceed 10% of the textile materials of the carpet; thus it is possible to import the jute backside and/or industrial spinning at this stage of production provided the weight condition is taken into account.

3/5 In case of products that contain spinning manufactured from polyurethane mixed with flexible hairs of polyether whether continuous or not then the forgiveness of this spinning shall stand at 20%.

4/5 In case of the products that contain billets of aluminum or plastic chips whether same are covered with aluminum powder or not, its width not exceeding 5 mm placed between two layers of plastic by adhesion, then the forgiveness for these chips shall stand at 30%.

**Note (6):**

1/6 In the case of the textile products that are preceded with a mark in the List because they have a postscript, the textile materials that do not fulfill the said rule in the third column of the List for the concerned manufactured product except for the lining or inner lining, may be used to produce clothing provided that they are classified under a tariff heading different from the custom heading of the product and that its value does not exceed 8% of the value of the product delivery outside factory (تسليم خارج المصنع).

2/6 Without prejudice to Note (3/6) materials unclassified in Chapters (50) to (63) may be used without restrictions in the production of textile materials whether same contain textile materials or not.
Example:

If the rule in the List stipulates the necessity of using spinning to manufacture a product such as trousers then this shall not exclude the use of metal products such as buttons because they are unclassified in chapters (50) to (63) and for the same reason it is not prohibited to use (السمت) even if same usually contain textile materials.

3/6 When the rules for the percentage of materials that do not fulfill the origin attribute are applied and when calculating the value of the materials that do not fulfill the origin attribute then the value of the materials unclassified in Chapters (50) to (63) should be taken into consideration.

Note (7):

1/7 For the purposes of headings no. (2707) “ex” (2713) to (2715) and (2901) “ex” and (2902) “ex” and (3403) “ex” the set manufacturing processes shall be:
- distillation in vacuum
- re-distillation by fine and complete separation
- breaking
- distillation (الهادم) or breaking petrol or oil
- extracting by using some types of dissolvents
- manufacturing processes that include all the following operations:
  - treatment with concentrated sulphuric acid – oleum
  - equalizing by **alkaline elements** – color removal and the technology for using active natural earth, activating earth, vegetable coal or activating bauxite
  - polymerization
  - making a substance alkaline
  - **التجارية**

2/7 For the purposes of headings no. 2710 – 2711- 2712 then the set manufacturing processes are:
- distillation in vacuum
- re-distillation by fine and complete separation
- breaking
- distillation (الهادم) or breaking petrol or oil
- extracting by using some types of dissolvents
- manufacturing processes that include all the following operations:
  - treatment with concentrated sulphuric acid – oleum
  - equalizing by **alkaline elements** – color removal and the technology for using active natural earth, activating earth, vegetable coal or activating bauxite
  - polymerization
  - making a substance a **قوية**
  - **التجارية**
- Sulphur by using hydrogen which results in lowering the content percentage of sulphur by 85% at least in treated products by using the (ASTMD 1266-59T) method.
- In regard to the products listed under heading (2710) only, the paraffin oil shall be removed by another process other than filtration.

- In regard to heavy petrol listed under heading no. (2710) only, it shall be treated with hydrogen under the pressure of more than 20 bars and a temperature of more than 250 Celsius while using an stimulating material to produce something other the sulphur removal and that if the hydrogen is an active element in the chemical and treatment equation that follow that with hydrogen for the lubricating oils heading no. (2710) “ex” (such as color removal) with the aim of improving colors or stabilizing them are not considered set treatment processes.

- In regard to fuel oils heading no. (2710) “ex” only, aerial distillation provided less than 30% of these products are distilled including that lost under the temperature of 300 Celsius by using the (ASTMD 86) method.

- In regard to heavy petrol in contrast to gas oils and fuel oils heading no. (2710) “ex” only, treatment shall be carried out by التفریغ الفرجونی الكهربائي ذو التردد العالي.

3/7 In regard to headings no. (2710) “ex”, (2713) to (2715) and (2901) “ex”, (2902) “ex” and (3403) “ex” simple operation like cleaning, liquidating, salt removal, water separation, filtration, coloring, placing marks, obtaining the element of sulphur arising from mixing products with different contents of sulphur or any mix of these operations or similar operations that do not confer the origin attribute.