

EEC-FINLAND JOINT COMMITTEE DECISION No 2/85

of 10 December 1985

supplementing Annexes II and III to Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation by the addition of alternative percentage rules for the products of Chapters 84 to 92 of the Customs Cooperation Council Nomenclature

THE JOINT COMMITTEE,

Having regard to the Agreement between the European Economic Community and the Republic of Finland signed in Brussels on 5 October 1973,

Having regard to Protocol 3 concerning the definition of the concept of originating products and methods of administrative cooperation (hereinafter referred to as 'Protocol 3'), and in particular Article 28 thereof,

Whereas experience has shown that the rules of origin contained in Protocol 3, for those products falling within Chapters 84 to 92 of the Customs Cooperation Council Nomenclature (hereinafter called 'the CCCN'), have in practice given rise to difficulties; whereas, because of the interdependence of the industrial sectors of the European Economic Community and Finland, and the reciprocal nature and mutual importance of the free trade between the European Economic Community and Finland, it is necessary to simplify the said rules;

Whereas it is desirable to provide for simplified rules which have the same overall effect as the existing rules; whereas, to avoid the possibility of such simplified rules having a more restrictive effect in the case of certain products, it is necessary to provide for the simplified rules to be applied as an alternative to the existing rules;

Whereas the most simple alternative rules are identical percentage rules for Lists A and B; whereas the percentage levels chosen have to differ between products to avoid any overall change in economic effect;

Whereas it is preferable for reasons of clarity to combine such alternative percentage rules for Lists A and B in two lists of products according to the percentage rule to be applied;

Whereas it is necessary to have a safeguard clause in order to avoid the effect of the alternative rules causing, or threatening to cause, serious injury to producers in either of the Contracting Parties,

HAS DECIDED AS FOLLOWS:

Article 1

1. Lists A and B contained in Annexes II and III to Protocol 3 shall be amended by the addition of the following rules:

(a) Originating status shall be conferred on the products set out in List I annexed hereto by working,

processing or assembly in which the value of the non-originating materials incorporated does not exceed 40 % of the value of the finished product;

(b) Originating status shall be conferred on the products set out in List II annexed hereto by working, processing or assembly in which the value of the non-originating materials incorporated does not exceed 30 % of the value of the finished product.

For certain products a lower percentage and/or special conditions are, however, applicable.

2. The rules set out in paragraph 1 shall be in addition to and not in substitution for the rules contained in Lists A and B.

3. The exporter may decide whether or not to use the rules set out in paragraph 1 above or, alternatively, to use any other rule which may be contained in Lists A and B. However, the rules set out in paragraph 1 may be applied in respect of a particular product only as an alternative to, and not in conjunction with, any other rule which may be contained in those lists.

Article 2

If it is established that, because of the effect of the alternative rules, a product is imported into the territory of one of the Contracting Parties in such increased quantities and under conditions which cause, or threaten to cause, serious injury to producers of similar or directly competitive goods in the Contracting Party concerned, the Contracting Party may suspend the application of these alternative rules for that product.

Such decisions shall be notified to the Joint Committee without delay together with all the necessary information. Without prejudice to any safeguard measure taken, the Joint Committee shall, without delay, examine the situation so as to find a solution acceptable to the Contracting Parties.

Article 3

This Decision shall enter into force on 1 March 1986.

Done at Brussels, 10 December 1985.

For the Joint Committee

The President

H. DE LANGE

ANNEX I

LIST I

Finished products to which the 40 % rule in Article 1 (a) applies

Product obtained	
CCCN heading No	Description
84.05	Steam or other vapour power units, whether or not incorporating boilers
84.06	Internal combustion piston engines:
84.09	Mechanically propelled road rollers
84.12	Air-conditioning machines, self-contained, comprising a motor-driven fan and elements for changing the temperature and humidity of air
84.36	Machines for extruding man-made textiles; machines of a kind used for processing natural or man-made textile fibres; textile spinning and twisting machines; textile doubling, throwing and reeling (including weft-winding) machines
84.37	Weaving machines, knitting machines and machines for making gimped yarn, tulle, lace, embroidery, trimming, braid or net; machines for preparing yarns for use on such machines; including warping and warp sizing machines
ex 84.41	Sewing machines, including furniture specially designed for sewing machines with the exception of sewing machines (lock-stitch only) with heads of a weight not exceeding 16 kg without motor or 17 kg including the motor; sewing machine needles
ex 84.41 ⁽¹⁾	Sewing machines (lock-stitch only) with heads of a weight not exceeding 16 kg without motor or 17 kg including the motor
84.45	Machine-tools for working metal or metal carbides, not being machines falling within heading No 84.49 or 84.50
84.46	Machine-tools for working stone, ceramics, concrete, asbestos-cement and like mineral materials or for working glass in the cold, other than machines falling within heading No 84.49
84.47	Machine-tools for working wood, cork, bone, ebonite (vulcanite), hard artificial plastic materials or other hard carving materials, other than machines falling within heading No 84.49
84.48	Accessories and parts suitable for use solely or principally with the machines falling within headings Nos 84.45 to 84.47, including work and tool holders, self-opening dieheads, dividing heads and other appliances for machine-tools; tool holders for any type of tool or machine-tool for working in the hand
84.51	Typewriters, other than typewriters incorporating calculating mechanisms; cheque-writing machines
84.52	Calculating machines; accounting machines, cash registers, postage-franking machines, ticket-issuing machines and similar machines, incorporating a calculating device
84.53	Automatic data-processing machines and units thereof; magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data, not elsewhere specified or included

⁽¹⁾ At least 50 % in value of the materials and parts used for the assembly of the head (motor excluded) must be originating products and the thread tension, crochet and zigzag mechanisms must be originating products.

Product obtained	
CCCN heading No	Description
84.54	Other office machines (for example, hectograph or stencil duplicating machines, addressing machines, coin-sorting machines, coin-counting and wrapping machines, pencil-sharpening machines, perforating and stapling machines)'
84.64	Gaskets and similar joints of metal sheeting combined with other material (for example, asbestos, felt and paperboard) or of laminated metal foil; sets or assortments of gaskets and similar joints, dissimilar in composition, for engines, pipes, tubes and the like, put up in pouches, envelopes or similar packings
84.65	Machinery parts, not containing electrical connectors, insulators, coils, contacts or other electrical features and not falling within any other heading of this Chapter
85.23	Insulated (including enamelled or anodized) electric wire, cable, bars, strip and the like (including co-axial cable), whether or not fitted with connectors
85.24	Carbon brushes, arc-lamp carbons, battery carbons, carbon electrodes and other carbon articles of a kind used for electrical purposes
85.25	Insulators of any material
85.26	Insulating fittings for electrical machines, appliances or equipment, being fittings wholly of insulating material apart from any minor components of metal incorporated during moulding solely for purposes of assembly, but not including insulators falling within heading No 85.25
85.27	Electrical conduit tubing and joints therefor, of base metal lined with insulating material
85.28	Electrical parts of machinery and apparatus, not being goods falling within any of the preceding headings of this Chapter
ex Chapter 86	Railway and tramway locomotives, rolling-stock and parts thereof; railway and tramway track fixtures and fittings; traffic signalling equipment of all kinds (not electrically powered) excluding products of heading No 86.10
87.01	Tractors (other than those falling within heading No 87.07), whether or not fitted with power take-offs, winches or pulleys
87.02	Motor vehicles for the transport of persons, goods or materials (including sports motor vehicles, other than those of heading No 87.09)
87.03	Special-purpose motor lorries and vans (such as breakdown lorries, fire-engines, fire-escapes, road sweeper lorries, snow-ploughs, spraying lorries, crane lorries, searchlight lorries, mobile workshops and mobile radiological units), but not including the motor vehicles of heading No 87.02
87.04	Chassis fitted with engines, for the motor vehicle falling within heading No 87.01, 87.02 or 87.03
87.10	Cycles (including delivery tricycles), not motorized
87.11	Invalid carriages, whether or not motorized or otherwise mechanically propelled
87.12	Parts and accessories of articles falling within heading No 87.09, 87.10 or 87.11
88.01	Balloons and airships
88.02	Flying machines, gliders and kites; rotochutes
88.03	Parts of goods falling within heading No 88.01 or 88.02

Product obtained	
CCCN heading No	Description
CHAPTER 89	SHIPS, BOATS AND FLOATING STRUCTURES
90.01	Lenses, prisms, mirrors and other optical elements, of any material, unmounted, other than such elements of glass not optically worked; sheets or plates, of polarizing material
90.02	Lenses, prisms, mirrors and other optical elements, of any material, mounted, being parts of or fittings for instruments or apparatus, other than such elements of glass not optically worked
90.04	Spectacles, pince-nez, lorgnettes, goggles and the like, corrective, protective or other
90.23	Hydrometers and similar instruments; thermometers, pyrometers, barometers, hygrometers, psychrometers, recording or not; any combination of these instruments
90.24	Instruments and apparatus for measuring, checking or automatically controlling the flow, depth, pressure or other variables of liquids or gases, or for automatically controlling temperature (for example, pressure gauges, thermostats, level gauges, flow meters, heat meters, automatic overdraught regulators), not being articles falling within heading No 90.14
90.27	Revolution counters, production counters, taximeters, mileometers, pedometers and the like, speed indicators (including magnetic speed indicators) and tachometers (other than articles falling within heading No 90.14); stroboscopes
90.28	Electrical measuring, checking, analyzing or automatically controlling instruments and apparatus
90.29	Parts or accessories suitable for use solely or principally with one or more of the articles falling within heading No 90.23, 90.24, 90.26, 90.27 or 90.28
ex Chapter 91	Clocks and watches and parts thereof, excluding products of heading Nos 91.04, 91.08, 91.09, 91.10 and 91.11
ex Chapter 92	Musical instruments, sound recorders or reproducers, television image and sound recorders or reproducers; parts and accessories of such articles excluding products of heading No 92.11 and gramophone records and other sound or similar recorders of heading No 92.12

ANNEX II

LIST II

Finished products to which the 30 % rule in Article 1 (b) applies

Product obtained	
CCCN heading No	Description
84.01 ⁽¹⁾	Steam and other vapour generating boilers (excluding central heating hot water boilers capable also of producing low pressure steam); super-heated water boilers
84.02	Auxiliary plant for use with boilers of heading No 84.01 (for example, economizers, super-heaters, soot removers, gas recoverers and the like); condensers for vapour engines and power units
84.03	Producer gas and water gas generators, with or without purifiers; acetylene gas generators (water process) and similar gas generators, with or without purifiers
84.07	Hydraulic engines and motors (including water wheels and water turbines)
84.08 ⁽¹⁾	Other engines and motors:
84.10 ⁽²⁾	Pumps (including motor pumps and turbo pumps) for liquids, whether or not fitted measuring devices, liquid elevators of bucket, chain, screw, band and similar kinds:
84.11 ⁽²⁾	Air pumps, vacuum pumps and air or gas compressors (including motor and turbo pumps and compressors, and free-piston generators for gas turbines); fans, blowers and the like
84.13	Furnace burners for liquid fuel (atomizers), for pulverized solid fuel or for gas; mechanical stokers, mechanical grates, mechanical ash dischargers and similar appliances
84.14	Industrial and laboratory furnaces and ovens, non-electric
84.15 ⁽¹⁾	Refrigerators and refrigerating equipment (electrical and other)
84.16	Calendering and similar rolling machines (other than metal-working and metal-rolling machines and glass-working machines) and cylinders therefor
84.17	Machinery, plant and similar laboratory equipment, whether or not electrically heated, for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilizing, pasteurizing, steaming, drying, evaporating, vapourizing, condensing or cooling, not being machinery or plant of a kind used for domestic purposes; instantaneous or storage water heaters, non-electrical
84.18	Centrifuges; filtering and purifying machinery and apparatus (other than filter funnels, milk strainers and the like), for liquids or gases
84.19	Machinery for cleaning or drying bottles or other containers; machinery for filling, closing, sealing, capsuling or labelling bottles, cans, boxes, bags or other containers; other packing or wrapping; machinery for aerating beverages; dish washing machines
84.20 ⁽¹⁾	Weighing machinery (excluding balances of a sensitivity of 5 cg or better) including weight-operated counting and checking machines; weighing machine weights of all kinds

⁽¹⁾ The percentage rule to be applied shall be 25 %.⁽²⁾ For rotary displacement pumps the percentage rule to be applied shall be 25 %.⁽³⁾ For fans, blowers and the like the percentage rule to be applied shall be 25 %.

Product obtained	
CCCN heading No	Description
84.21	Mechanical appliances (whether or not hand operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers (charged or not); spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines
84.22	Lifting, handling, loading or unloading machinery, telphers and conveyors (for example, lifts, hoists, winches, cranes, transporter cranes, jacks, pulley tackle, belt conveyors and teleferics), not being machinery falling within heading No 84.23
84.23	Excavating, levelling, tamping, boring and extracting machinery, stationary or mobile, for earth, minerals or ores (for example, mechanical shovels, coal-cutters, excavators, scrapers, levellers and bulldozers); pile-drivers; snow-ploughs, not self-propelled (including snow-plough attachments)
84.24	Agricultural and horticultural machinery for soil preparation or cultivation (for example, ploughs, harrows, cultivators, seed and fertilizer distributors); lawn and sports ground rollers
84.25	Harvesting and threshing machinery; straw and fodder presses; hay or grass mowers; winnowing and similar cleaning machines for seed, grain or leguminous vegetables and egg-grading and other grading machines for agricultural produce (other than those of a kind used in the bread grain milling industry falling within heading No 84.29)
84.26	Dairy machinery (including milking machines)
84.27	Presses, crushers and other machinery, of a kind used in wine-making, cider-making, fruit juice preparation or the like
84.28	Other agricultural, horticultural, poultry-keeping and bee-keeping machinery; germination plant fitted with mechanical or thermal equipment; poultry incubators and brooders
84.29	Machinery of a kind used in the bread grain milling industry, and other machinery (other than farm type machinery) for the working of cereals or dried leguminous vegetables
84.30	Machinery, not falling within any other heading of this Chapter, of a kind used in the following food or drink industries: bakery, confectionery, chocolate manufacture, macaroni, ravioli or similar cereal food manufacture, the preparation of meat, fish, fruit or vegetables (including mincing or slicing machines), sugar manufacture or brewing
84.31	Machinery for making or finishing cellulosic pulp, paper or paperboard
84.32	Book-binding machinery, including book-sewing machines
84.33	Paper or paperboard cutting machines of all kinds; other machinery for making up paper pulp, paper or paperboard
84.34	Machinery, apparatus and accessories for type-founding or type-setting; machinery, other than the machine-tools of heading No 84.45, 84.46 or 84.47, for preparing or working printing blocks, plates or cylinders; printing type, impressed flongs and matrices, printing blocks, plates and cylinders; blocks, plates, cylinders and lithographic stones, prepared for printing purposes (for example, planed, grained or polished)
84.35	Other printing machinery; machines for uses ancillary to printing
84.38	Auxiliary machinery for use with machines of heading No 84.37 (for example, dobbies, Jacquards, automatic stop motions and shuttle changing mechanisms); parts and accessories suitable for use solely or principally with the machines of the present heading or with machines falling within heading No 84.36 or 84.37 (for example, spindles and spindle flyers, card clothing combs, extruding nipples, shuttles, healds and heald lifters and hosiery needles)
84.39	Machinery for the manufacture or finishing of felt in the piece or in shapes, including felt-hat making machines and hat making blocks

Product obtained	
CCCN heading No	Description
84.40	Machinery for washing, cleaning, drying, bleaching, dyeing, dressing, finishing or coating textile yarns, fabrics or made-up textile articles (including laundry and dry-cleaning machinery); fabric folding, reeling or cutting machines; machines of a kind used in the manufacture of linoleum or other floor coverings for applying the paste to the base fabric or other support; machines of a type used for printing a repetitive design, repetitive words or overall colour on textiles, leather, wallpaper, wrapping paper, linoleum or other materials, and engraved or etched plates, blocks or rollers therefor
84.42	Machinery (other than sewing machines) for preparing, tanning or working hides, skins or leather (including boot and shoe machinery)
84.43	Converters, ladles, ingot moulds and casting machines, of a kind used in metallurgy and in metal foundries
84.44	Rolling mills and rolls therefor
84.49	Tools for working in the hand, pneumatic or with self-contained non-electric motor
84.50	Gas-operated welding, brazing, cutting and surface tempering appliances
84.55	Parts and accessories (other than covers, carrying cases and the like) suitable for use solely or principally with machines of a kind falling within heading No 84.51, 84.52 or 84.54
84.56	Machinery for sorting, screening, separating, washing, crushing, grinding or mixing earth, stone, ores or other mineral substances, in solid (including powder and paste) form; machinery for agglomerating, moulding or shaping solid mineral fuels, ceramic paste, unhardened cements, plastering materials or other mineral products in powder or paste form; machines for forming foundry moulds of sand
84.57	Glass-working machines (other than machines for working glass in the cold); machines for assembling electric filament and discharge lamps and electronic and similar tubes and valves
84.58	Automatic vending machines (for example, stamp, cigarette, chocolate and food machines), not being games of skill or chance
84.59	Machines and mechanical appliances, having individual functions, not falling within any other heading of this Chapter
84.60	Moulding boxes for metal foundry; moulds of a type used for metal (other than ingot moulds), for metal carbides, for glass, for mineral materials (for example, ceramic pastes, concrete or cement) or for rubber or artificial plastic materials
84.61	Taps, cocks, valves and similar appliances, for pipes, boiler shells, tanks, vats and the like, including pressure reducing valves and thermostatically controlled valves
84.62 ⁽¹⁾	Ball, roller or needle roller bearings
84.63	Transmission shafts, cranks, bearing housings, plain shaft bearings, gears and gearing (including friction gears and gear-boxes and other variable speed gears), flywheels, pulleys and pulley blocks, clutches and shaft couplings
ex Chapter 85 (²) (³)	Electrical machinery and equipment; parts, thereof; excluding products of heading Nos 85.23, 85.24, 85.25, 85.26, 85.27 and 85.28

(¹) The percentage rule to be applied shall be 25 %.

(²) For heading Nos 85.14 and 85.15 the percentage rule to be applied shall be 25 % and the value of the non-originating transistor used must not exceed 3 % of the value of the finished product.

(³) For semi-conductor devices and electronic microcircuits heading ex 85.21 the percentage rule to be applied shall be 25 %.

Product obtained	
CCCN heading No	Description
86.10	Railway and tramway track fixtures and fittings; mechanical equipment, not electrically powered, for signalling to or controlling road, rail or other vehicles, ships or aircraft; parts of the foregoing fixtures, fittings or equipment
87.05	Bodies (including cabs), for the motor vehicles falling within heading Nos 87.01, 87.02 or 87.03
87.06	Parts and accessories of the motor vehicles falling within heading Nos 87.01, 87.02 or 87.03
87.07	Works trucks, mechanically propelled, of the types used in factories, warehouses, dock areas or airports for short distance transport or handling of goods (for example, platform trucks, fork-lift trucks and straddle carriers); tractors of the type used on railway station platforms; parts of the foregoing vehicles
87.08	Tanks and other armoured fighting vehicles, motorized, whether or not fitted with weapons, and parts of such vehicles
87.09 ⁽¹⁾	Motor-cycles, auto-cycles and cycles fitted with an auxiliary motor, with or without side-cars; side-cars of all kinds
87.13	Baby carriages and parts thereof
87.14	Other vehicles (including trailers), not mechanically propelled, and parts thereof
88.04	Parachutes and parts thereof and accessories thereto
88.05	Catapults and similar aircraft launching gear; ground flying trainers; parts of any of the foregoing articles
ex Chapter 90 ⁽²⁾	Optical, photographic, cinematographic, measuring, checking, precision, medical and surgical instruments and apparatus and parts thereof, excluding products of heading Nos 90.01, 90.02, 90.04, 90.23, 90.24, 90.27, 90.28 and 90.29
91.04	Other clocks
91.08	Clock movements, assembled
91.09	Watch cases and parts of watch cases
91.10	Clock cases and cases of a similar type for other goods of this Chapter, and parts thereof
91.11	Other clock and watch parts
92.11 ⁽³⁾	Gramophones, dictating machines and other sound recorders or reproducers, including record-players and tape decks, with or without sound-heads; television image and sound recorders or reproducers
ex 92.12	Gramophone records and other sound or similar recordings

⁽¹⁾ For motor-cycles, auto-cycles and cycles, with or without sidecars, powered by internal combustion engines, of a cylinder capacity of:

- 50 cm³ or less, the percentage rule to be applied shall be 20 %,
- more than 50 cm³, the percentage rule to be applied shall be 25 %.

⁽²⁾ For heading Nos 90.17 and 90.18 the percentage rule to be applied shall be 25 %.

⁽³⁾ For electric gramophones the percentage rule to be applied shall be 25 %.