



WORLD CUSTOMS ORGANIZATION
ORGANISATION MONDIALE DES DOUANES

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HARMONIZED SYSTEM
REVIEW SUB-COMMITTEE

-
19th Session
-

NR0028E1
(Annexes I and II)
O. Eng.

H11-3

Brussels, 1999.

POSSIBLE SEPARATE IDENTIFICATION OF ARTISANAL PRODUCTS :

REQUEST FROM THE ITC

(Item II.C.2 on Agenda)

Reference documents :

- 41.333 (RSC/16)
- 41.580 Annex C/2 (RSC/16 - Report)
- 41.803 (RSC/17)
- 41.920 Annex C/2 (RSC/17 - Report)
- 42.234 (RSC/18)
- 42.500 Annex C/2 (RSC/18 - Report)

I. BACKGROUND

1. The Sub-Committee at its 18th Session continued its examination of the ITC (International Trade Centre) request concerning the possible separate identification of artisanal products in the HS.
2. It was noted that the Secretariat would not be able to complete its study of the question without input from administrations. Delegates were, therefore, requested to provide the Secretariat with their comments and further information concerning :
 - (a) the definition of hand-made products for the purposes of the HS;
 - (b) criteria for distinguishing such hand-made products from their machine-made counterparts;
 - (c) HS breakouts proposed by the ITC (see Annex III to Doc. 42.234), including the balance of trade significance between split subheadings (hand-made and other) and the technical appropriateness of such splitting; and

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- (d) a certification procedure (taking into account the proposal from the ITC, distributed to delegates during the session).
3. On 20 November 1998, the Secretariat invited administrations to submit their comments and further information concerning the above questions.

II. COMMENTS FROM ADMINISTRATIONS

AUSTRALIA

4. "...Australia would support the establishment of a definition based on paragraphs 41 and 42 of Doc. 42.234 and notes that there are significant difficulties in distinguishing between hand and machine made goods, especially in regard to textile products. In this regard, Australia relies on a registration system and on the advice of experts in cases of doubt.
5. In regard to questions (c) and (d) posed by the Sub-Committee, this Administration shares the Secretariat concern over the initial number of breakouts proposed and wonders if it would be possible to create new headings, at the end of each relevant Chapter that would read along the following lines "42.07 Handmade goods, otherwise classifiable in headings 42.01, 42.02, etc."
6. While we appreciate the Secretariat concern at the number of breakouts suggested, the difficulty with any reduced breakout listing is that some goods will then get favoured treatment over those which are not listed. It is for this reason that Australia would prefer using Chapter 96 (or 99) to group all these products under one heading.
7. The certification system suggested by ITC seems to us to be a reasonable approach in relation to goods such as these, but the actual wording would require extensive review. Paragraph 1.5, for example, may well need modification to indicate that the "suspect" goods should only be allowed unrestricted access if full duty is paid.
8. We are not sure that agreement to, or examination of a certification system is indeed within the province of the Harmonized System Committee. This is an issue which would be more appropriate for the Permanent Technical Committee..."

EC

9. The Secretariat received a note from the EC concerning Council Regulation (EC) No. 1401/98 providing preferential treatment for hand-made products. The full text of this Regulation will be made available for consultation by delegates during the session (English and French).
10. The EC Regulation defines "hand-made products" as :
- (a) cottage industry products made entirely by hand;
 - (b) cottage industry products which have the character of products made by hand;
 - (c) garments or other textile products obtained manually from fabrics woven on looms operated solely by hand or foot and essentially sewn by hand or by sewing-machines operated solely by hand or foot.

11. The EC preferential regime is also based on a certification procedure. Certificates of authenticity should be recognised by the relevant Community authorities and should conform to one of the models appended to the aforementioned regulation.

NORWAY

12. "...Due to the lack of proper feedback from parties concerned, we found ourselves not to be in a position to transmit any official views. It has, therefore, been decided not to take any further steps at national level for the time being.
13. We enclose a copy of the reply we received from the Traditional Craft Producers Association [summarised below] :
- "I have read the papers about "Possible separate identification of artisanal products". The Canadian "Certificate of Handicraft Goods" (Canadian Memorandum D10-15-13) sounds very clear and usable, except its exclusion of any electrical machinery. That means excluding quite a few products which are considered crafts in Norway. Some small part of the production process of handmade goods usually includes some sewing, cutting, sanding, or polishing by electrical power, still leaving the traditional or artistic characteristics which set it apart from industrial products".
14. Despite the above-mentioned, we would like to point out that our decision does not indicate that the proposal is of no interest to us. But, it means that we have to base our future work on information given by other administrations..."

SOUTH AFRICA

15. "...The South African Revenue Service wishes to inform you that, at this point of time, our Administration has no national interest in distinguishing artisanal products from their machine-made counterparts.
16. However, taking the overall objective into account, we have no reason to object against the implementation of a tariff structure to accommodate artisanal products and we gladly offer our co-operation and support.
17. We would further like to make the following comments on the documents received :
18. The definition of the term "hand-made" as proposed by ITC provides a more elaborate description of the term than can be found in most dictionaries and we support the adoption thereof for HS purposes.
19. We do not have any experience in identifying "hand-made" products and can therefore not make any positive contribution on the subject but we agree that distinguishing criteria should be taken up in the applicable Explanatory Notes.
20. At present, the South African Revenue Service does not have any formal policy on artisanal products in place and subsequently no certification procedures by national authority or crafts association. It is thus essential that ITC provides the guidelines in this regard.

CANADA

"Definition of hand-made products for the purposes of the HS

21. Since the mid-1970's, Canada has administered a national tariff provision that accords duty free entry for hand-made (handicraft) goods originating in a country which qualifies for the General Preferential Tariff. Hand-made handicraft (artisanal) goods imported into Canada are defined as follows :

"Handicraft goods are goods having forms or decorations that are traditionally used by the indigenous people or representing any national, territorial, or religious symbols of the geographical region where produced, having acquired their essential characteristics by the handiwork of individual craftsmen using tools held by hand or tools not powered by machines other than those powered by hand or foot, being non-utilitarian and not copies or imitations of handicraft goods of any country other than the country in which they originate, and not produced in large quantities by sophisticated tools or by moulding."

NOTE: Notwithstanding the narrow interpretation of handicrafts, Canada continues to experience interpretative problems in administering this provision.

The criteria for distinguishing such hand-made products from their machine-made counterparts

22. Consistent with the definition of handicraft goods used by Canada, the following guidelines have been developed to assist in distinguishing handicrafts from their machine-made counterparts :
- (a) "traditional characteristics" means any form or decoration which has been used widely or habitually by the indigenous people of the geographical region where produced, or which represents any accepted national, territorial, or religious symbol of the country of manufacture (e.g., for Canada, the maple leaf or beaver);
 - (b) "artistic characteristics" includes any form or decoration developed from a traditional form or design, but executed in a contemporary idiom;
 - (c) "geographical region" means the country of manufacture being a country entitled to the benefits of the General Preferential Tariff, or a specific region of that country;
 - (d) "non-utilitarian" describes goods that may have a function (a utility) but are obtained or valued for their artistic, religious, or cultural features;
 - (e) To have acquired their essential characteristics by the handiwork of individual craftsmen employing traditional manual skills, handicraft products must have been made by one or more of the following processes: (i) solely by hand; or (ii) tools held in the hand which are not powered by machinery other than by machines powered by foot or by hand;

- (f) Traditional manual skills are those skills handed down from generation to generation, such as :

appliqué work	drawing	filigreeing	needlework	scratching
beating	dyeing	hammering	netting	studding
branding	embossing	inlaying	painting	tatting
carving	embroidering	joining	plaiting	tooling
chasing	enamelling	knitting	printing	twisting
crocheting	engraving	knotting	rubbing	weaving
cutting	etching	moulding	scraping	etc.

23. Handicraft goods shall be deemed not to have acquired traditional or artistic characteristics by the handiwork of individual craftsmen if :

- (a) they are plain utilitarian goods with no particular artistic or decorative features (qualifying goods may have practical uses but are desired for their artistic characteristics);
- (b) they copy or imitate, or attempt to copy or imitate, traditional, decorative or indigenous products of any country other than the country of manufacture;
- (c) essential characteristics are identical (in terms of size, design, method of production) to each other and if it is evident that their quality was closely controlled;
- (d) there is evidence that an original handicraft product was used as a "model" and reproduced in large quantities partly by hand and partly by sophisticated tools or by moulding; and
- (e) they are produced by individual craftsmen that acquired their skills by formal training or working under close supervision.

NOTE: In the opinion of the Canadian Customs Laboratory, there is no certain scientific way of identifying artisanal products from their machine-made counterparts.

HS breakouts proposed by the ITC including the balance of trade significance between split subheadings (hand-made and other) and the technical appropriateness of such splitting

24. The breakouts suggested by the ITC are extensive and more time is required by Canada to examine the impact as well as the scope and coverage of the proposed changes to the legal core of the HS.

The certification procedure (taking into account the proposal from the ITC distributed to delegates during the 18th session)

25. The ITC proposal to create an official list at the WCO of national government authorities and/or craft organisations accredited for approving *Certificates of Artisanal Nature* is interesting. In this regard, a certificate could be fashioned after the Canadian model:

Handicraft goods may be classified as an artisanal product (handicraft) on the production of a certificate in the form set out below and:

- (a) containing the information required therein and signed by a representative competent for that purpose; and
- (b) is listed on the World Customs Organization's central registrar for national governmental authorities (and/or craft organisations) accredited for approving Certificates of Artisanal (handicraft) Goods.

Certificate of Artisanal (handicraft) Goods

*The undersigned hereby declares that the following goods originated in
..... (Name of country):*

(Description of goods)

and certifies that the above-described goods are handi-craft products with traditional or artistic characteristics that are typical of the geographical region where produced, namely, (Name of region) and have acquired their essential characteristic by the handiwork of individual craftsmen by means of the following process (e.g., carving, knitting, handweaving).

PHILIPPINES

26. Appended to a note from the ITC, the Secretariat also received the following letter of the Tariff Commission of the Philippines :

“...This is to acknowledge receipt of your [ITC's] letter...posting the Philippine Tariff Commission on the latest developments in the negotiations of the ITC initiative for a separate identification of artisanal products in the Harmonized System.

Please be informed that the Philippines supports the ITC proposal for an international certification scheme to distinguish artisanal products from machine-made products...”.

III. SECRETARIAT COMMENTS

27. The Secretariat would like to remind the Sub-Committee that the main objective of the ITC proposal was to facilitate collection of trade statistics in respect of artisanal (or hand-made) products for the purpose of market analyses for promoting the trade in such products. According to the ITC, it was very important to give artisanal products separate status within the HS (see Doc. 41.333, paragraphs 2 and 3).
28. The Sub-Committee at its 16th Session agreed that a study concerning separate identification of artisanal products in the HS seemed desirable, but subsequently pointed out that it was necessary to define “hand-made” products and establish clear criteria for distinguishing such products from their industrial (i.e., machine-made) counterparts. Documentary evidence procedure could also be a practical solution.

Definition of “hand-made” products

29. At the 18th Session, it was noted that the definition of “hand-made” products :
- (a) should cover only genuine hand-made products which did not use power operated machines or tools in their production; and
 - (b) should also give indications of the possible distinguishing criteria which should be developed separately.
30. ITC was not in a position to give a definition of “hand-made” products for the purpose of the HS but, as a basis, proposed the following definition adopted by the UNESCO/ITC International Symposium held in Manila in October 1997:
- “Artisanal products are those produced by artisans, either completely by hand, or with the help of hand tools or even mechanical means, as long as the direct manual contribution of the artisan remains the most substantial component of the finished product. These are produced without restriction in terms of quantity and using raw materials from sustainable resources. The special nature of artisanal products derives from their distinctive features, which can be utilitarian, aesthetic, artistic, creative, culturally attached, decorative, functional, traditional, religiously and socially symbolic and significant.”
31. The Secretariat in Doc. 42.234 (paragraphs 40 to 46) had indicated that the above definition and the definitions used by the Customs Administrations of Canada, Australia, Mexico and Poland contained almost the same common elements, except for a few details.
32. During the intersession, Australia, Norway and South Africa indicated that they would agree with a definition based on the ITC proposal. Therefore, if the Sub-Committee would favour establishing a definition for HS purposes, the ITC definition of artisanal products could be suitably modified to adopt hand-made products and be incorporated in the Explanatory Notes at the beginning of the Sections or Chapters concerned.
33. Canada and the EC also sent their comments. Canada’s definition seems to be narrower than the ITC definition (see paragraph 21 above). Canada further notes that, notwithstanding this narrow interpretation, it continues to experience interpretative problems in administering this provision (see the Note at the end of paragraph 21). The EC definition includes cottage industry products which have the “character” of products made by hand and thus seems to be broader than the ITC definition (see paragraph 10 above). These definitions should also be taken into account.

Criteria for distinguishing “hand-made” products from their machine-made counterparts

34. It should be noted that none of the administrations provided the Secretariat with product-specific criteria for distinguishing “hand-made” products from their machine-made counterparts.
35. The Secretariat’s analysis of these general criteria revealed the following three general distinguishing features of “hand-made” products :

- 35.1. As compared to their “machine-made” counterparts, “hand-made products” generally differ slightly in size, dimensions, shape, pattern, texture, thickness, motifs, colours, shades, etc., from one example to another. The Secretariat has no objection to the use of these general criteria in the definition of “hand-made” products;
- 35.2. They are normally produced using raw materials from natural sustainable resources. Since (i) both natural and man-made raw materials could be processed both by hand and by machines and (ii) identification of such materials might cause difficulties for Customs at the time of importation, the Secretariat is not sure whether this criterion could be workable;
- 35.3. They are generally produced by hand, or by using hand tools or hand or foot operated machines, or in some cases even mechanical means, and according to traditional or aboriginal techniques. This criterion should also be an essential part of the definition, but it could also be very difficult (i) to determine the dividing line between goods made by hand or foot operated machines and goods made by electrically operated machines and (ii) to distinguish traditional or aboriginal techniques.

HS breakouts

36. The Sub-Committee at its 18th Session agreed that the HS breakouts proposed by the ITC (see Annex III to Doc. 42.234) should be approached on a selective basis, taking into account the balance of trade significance between split subheadings (“hand-made” and “other”) and the technical appropriateness of such splitting.
37. In respect of the balance of trade significance between split subheadings, the Secretariat recalls that several delegates at the 16th Session of the Sub-Committee had agreed that the importance of this question to developing countries would justify exemption from the threshold value (20 million US dollars) set forth by the Harmonized System Committee for the creation of subheadings in the HS.
38. As the Secretariat indicated in Doc. 42.234, the trade volumes provided by the ITC are the combined figures for “hand-made” and “machine-made” products, and to what extent they represent the trade in “hand-made” products is unknown. However, the figures concerning trade in the products involved are significant but only broad indicators of possible trade in hand-made products (see Annex I to Doc. 42.234).
39. As to the technical appropriateness of the breakouts, Canada notes that the breakouts suggested by the ITC are extensive and more time is required to examine the impact, as well as the scope and coverage of the proposed changes to the legal core of the HS.
40. Australia shares the concerns over the initial number of breakouts proposed, but points out that any reduced breakout listing would bring favourable treatment for some goods over those which were not listed. For this reason, Australia suggests creation of new headings at the end of each relevant Chapter (e.g., 42.07 Handmade goods, otherwise classifiable in headings 42.01, 42.02, etc.) or using Chapter 96 or 99 to group all “hand-made” products under one heading.

41. Although the ITC proposal does not involve any change in the present scope of the headings and 5-digit subheadings under which breakouts have been proposed, the Secretariat shares the concerns expressed by Canada and Australia, especially due to the absence of product-specific criteria for distinguishing “hand-made” products from their machine-made counterparts.
42. Nevertheless, having regard to the Sub-Committee’s conclusion at its last session that a selective approach should be taken for the suggested breakouts, the Secretariat has prepared draft amendments to the Nomenclature on the basis of the shorter list identified by asterisks in Annex II to Doc. 42.234. These are set out in Annex II to this document.

Documentary evidence procedure

43. At its 18th Session, the Sub-Committee agreed that a documentary evidence procedure to supplement the criteria for distinguishing “hand-made” products had to be based on internationally accepted guidelines that would yield uniform interpretation.
44. In this connection, the Observer for the ITC provided the Secretariat with a proposal towards establishing an international scheme to identify the artisanal nature of traded goods. This paper is reproduced in Annex II to this document.
45. Methods of procedure for the ITC certification scheme include creation of an official “Certificate of Artisanal Nature” issued by the producer or the exporter, approved either directly by the governmental craft authorities or through their designated craft organizations. This certificate should attest the conformity of the product with the agreed criteria or definition of an artisanal product, as adopted by the craft authorities or organizations. ITC also proposes that the list of aforementioned governmental authorities and/or craft organizations accredited for approving the certificates should be submitted to the WCO; and a central register of (i) such accreditations and (ii) approved and certified products/producers should be maintained and updated by the competent national craft authorities in each country and should be accessible to the WCO and its Members.
46. Canada notes that the ITC proposal to create an official list at the WCO of national government authorities and/or craft organisations accredited for approving “Certificates of Artisanal Nature” is interesting and proposes a basic model (see paragraph 25 above).
47. Australia indicates that the ITC certification system seems to be a reasonable approach, but the actual wording would require extensive review. Australia also points out that such a certification system should be dealt with by the Permanent Technical Committee rather than the Harmonized System Committee.
48. The Secretariat is not certain at this stage to what extent the HSC can handle this issue. However, if the Sub-Committee wants, the Secretariat could transmit this matter to the Permanent Technical Committee.

Secretariat's proposal

49. On the basis of the information and comments obtained so far, the Secretariat reviewed its previous proposal in paragraph 58 of Doc. 42.234 and suggests that the following revised text be inserted in the General Explanatory Notes to each Section or Chapter in which "hand-made" products are separately identified :

"Hand-made" products of this [Section] [Chapter] are produced by craftsmen either entirely by hand or by using tools held in the hand or by machines powered by hand or foot or any combination thereof, but not by sophisticated machines or by moulding. Such products have forms or decorations that are traditionally used by the indigenous people of the country of manufacture and may be utilitarian, but obtain their essential characteristics from their artistic, cultural or religious features. They have generally distinguishing features such as an irregular, imperfect or non-uniform appearance in terms of size, dimensions, shape, pattern, texture, thickness, motifs, colours, shades, etc., as compared to their "machine-made counterparts, and may reveal certain traditional or aboriginal techniques of manufacture on visual examination. Hand-made products are normally accompanied by documentary evidence regarding their hand-made nature, certified by competent authorities of the exporting country."

Possible Council Recommendation

50. The Secretariat recalls that within the framework of co-operation with other international organizations, the WCO had already taken a series of measures to facilitate international trade in products covered by certain international conventions. Among these are the Council Recommendations on the insertion in national statistical nomenclatures of subheadings concerning ozone layer depleting substances, chemical weapons and narcotic drugs.
51. As indicated earlier, the main purpose of the ITC proposal is to collect trade statistics on artisanal (or "hand-made") products (see paragraph 27 above). The Secretariat agrees with the Sub-Committee that the most desirable action to take towards this end would be to give separate status to such products in the HS in order to provide world-wide uniformity . However, the Secretariat's study in this respect has not been as fruitful as expected, especially with regard to finding product-specific objective criteria for distinguishing "hand-made" products from their machine-made counterparts.
52. Therefore, the Secretariat wonders whether the objective of the ITC (i.e., the collection of trade statistics) could be achieved by drafting a WCO Recommendation inviting Members to structure their national tariffs/statistical nomenclatures so that they could establish separate subdivisions for "hand-made" products. This option would also help overcome the difficulty of shortening the ITC list of proposed subheadings.
53. The Sub-Committee is invited to give its opinion on the feasibility of this option. Depending on the Sub-Committee's conclusions, the Secretariat could submit the matter to the Harmonized System Committee for examination.

IV. CONCLUSION

54. The Sub-Committee is invited to examine the ITC proposal (Annex I to this document), taking into account the comments and information provided by Australia, EC, Norway, South Africa, Canada and the Philippines (paragraphs 4 to 26 above), as well as the Secretariat's comments. In particular, the Sub-Committee is requested to express its views on the following :
- (a) whether it is necessary and appropriate to provide separate identification for "hand-made" products in the HS and, if so, whether the amendments drafted by the Secretariat on the basis of the ITC proposal are acceptable in terms of their coverage;
 - (b) whether the ITC proposal "Towards an International Certification Scheme to Identify the Artisanal Nature of Traded Goods" (see Annex I to this document) could be used as a basis for a documentary evidence procedure;
 - (c) whether it is appropriate to incorporate the text proposed by the Secretariat in paragraph 49 above in the General Explanatory Notes to the relevant Sections or Chapters; and
 - (d) whether the objective followed by the ITC (i.e., collection of trade statistics) could be achieved by drafting a WCO Recommendation for insertion in national tariffs/statistical nomenclatures of separate subdivisions for "hand-made" products.
55. Depending on its conclusions on the above questions, the Sub-Committee is also requested to examine the draft amendments to the Nomenclature as set out in Annex II to this document.

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COMMENTS BY THE INTERNATIONAL TRADE
CENTRE UNCTAD/WTO

TOWARDS AN INTERNATIONAL CERTIFICATION SCHEME
TO IDENTIFY THE ARTISANAL NATURE OF TRADED GOODS

A. Justification

The following preliminary considerations intend to pave the way for responding to the need for distinguishing artisanal products from similar machine-made goods, both categories of which are now classified under the same customs codification subheadings. If put into practice, the suggestions below would allow for :

- Customs officers to assess whether the goods have actually been produced through artisanal methods (particularly whenever grounds for uncertainty may arise);
- the responsible foreign trade statistical authorities to breakdown and collect accurate data on artisanal product trade flows and trends (which is not possible nowadays yet);
- buyers to have a guarantee that they have purchased a genuine artisanal product.

By way of consequence, due to trade facilitation and expansion, they would also foster the protection of artisanal creations and the exchange of culture and skill knowledge among countries on a reciprocity basis.

B. Overall objective

To promote and facilitate international trade in artisanal products

C. Specific purposes

- To permit artisanal product customs codification, at the national, regional and international levels.
- To permit statistical data identification, collection and analysis on artisanal product trade flows and trends, at all levels.
- To bring evidence to the national, regional or international financial institutions of the effective returns expected from promotion and support programmes for the sector.
- To allow for the establishment of proper development policies for the sector, both under the economic and social points of view, at all levels.
- To encourage economic integration under bilateral and multilateral free trade agreements, through free intra-regional circulation and overall trade facilitation for artisanal products, as well as preferential treatment to their imports (including imports of raw materials and equipments, required to produce them).

- To avoid cumbersome and lengthy procedures for either exporting these products or clearing them on a temporary admission basis as exhibition samples for participation in fairs (e. g, obtaining or processing certificates of origin, export documentation, non preferential tariffs, goods in bond, temporary admission regimes, etc.).
- To foster the development, in particular, of small- and medium-sized enterprises.
- To reduce unemployment, by helping and empowering the low-income, but culture- and tradition-skilled, artisanal work base.

D. Proposed methods of procedure for a certification scheme

1. *Creation of an official "Certificate of Artisanal Nature" issued by the producer or the exporter, approved either directly by the governmental craft authorities (as acknowledged by the relevant Crafts Ministry or Department of the exporting country) or through their designated craft or organizations (artisan associations, guilds, cooperatives, etc.) : this official certificate should attest the conformity of the product with the agreed criteria or definition of an artisanal product, as adopted by the craft authorities or organizations.*

1.1. The approval of the "Certificate of Artisanal Nature" is a very crucial point in order to grant the value of such certificates issued by the governmental craft authorities or through their designated craft organizations. For this purpose, the following requirements should be taken into consideration :

- the process of approval, which should also contain the surveillance of the authorities and organizations empowered to issue the certificates, should be elaborated on the basis of clearly defined harmonized auditing and surveillance procedures national craft authorities : there must indeed be clear criteria behind creating confidence.
- the national craft authorities should bring special attention in accrediting craft organizations, which should be acknowledged by, and operate under, national law. If and when delegating authority to local or regional organizations, the national craft authorities should retain full and direct responsibility for the truthfulness of the certificates which will be approved. Here again, the national craft authorities should apply a clear and harmonized verification/approval process (possibly through a harmonized checklist);
- the participation or co-operation of craft organizations as interested parties in certificate approval is recommended, since the artisans themselves are the first primarily concerned in ensuring the authenticity of such evidence.

1.2. An official list of the national governmental authorities and/or craft organizations accredited for approving Certificates of Artisanal Nature, including their authorized signatures, should be submitted to the World Customs Organization and to the other **regional** or international bodies concerned.

1.3. A central register of such accreditations should be maintained and updated by the competent national craft authorities in each country. It should be accessible on a

permanent basis, through modern communication and information technologies, to the World Customs Organization, its Administrations worldwide, as well as to all regional or international craft authorities or other bodies concerned. Changes in the central register should derive from a formal request to, followed by an official decision by, the national craft authorities, and should only take effect after a period to be established, so as to ensure a smooth transfer of authority and avoid any inconvenience or contradiction with the previously applied conditions.

- 1.4. A central register of approved and certified products/producers should be maintained and updated by the competent national craft authority in each country. It should also be accessible on a permanent basis through modern communication and information technologies to the World Customs Organization, its Administrations worldwide, as well as to the relevant import authorities/ministries participating in this framework.
- 1.5. If, within the framework of a given free trade agreement, a country happens to consider that the certificates issued by an exporting country's craft authorities or designated craft organization do not properly comply with the terms of the agreement, the former will inform the exporting country accordingly, so that the latter adopt the required measures to solve the problem. The importing country will, in no case, stop or postpone the import process for those goods covered by the certificates. It will, however, be in its own right-further to requesting relevant additional information from the exporting craft authorities to take the measures which it might consider necessary to guarantee fiscal interest.
2. ***Establishment - whenever possible- of a regional mechanism for trade facilitation of artisanal products, on the basis of commonly agreed definitions and distinguishing criteria*** (transparent enough to be easily accepted and applied by all countries within a given region), ***another option being to establish such a mechanism on a world-wide level, which, in principle, should make the acceptance and recognition of the certificates much easier.***
3. ***Free trade of artisanal products (no tariffs) within the territory of signatory countries to an intra-regional agreement, and preferential treatment to exports of these products outside that territory. Another option could be to ensure the free trade of artisanal products at international level.***

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(SCR/19/mars 99)
(RSC/19/March 99)

ANNEXE II

PROJETS D'AMENDEMENTS À APPORTER À LA NOMENCLATURE
EN CE QUI CONCERNE LA SPÉCIALISATION DANS LE SH DES PRODUITS
FABRIQUÉS A LA MAIN

(Point II.C.2 de l'ordre du jour)

ANNEX II

DRAFT AMENDMENTS TO THE NOMENCLATURE CONCERNING SEPARATE
IDENTIFICATION OF HAND-MADE PRODUCTS IN THE HS

(Item II.C.2 on Agenda)

PROCÉDURE DE L'ARTICLE 16

AMENDEMENTS A APPORTER À LA NOMENCLATURE

CHAPITRE 42.

Nouvelles sous-positions 4201.10 et 4201.90.

Insérer les nouvelles sous-positions 4201.10 et 4201.90 ci-après :

"4201.10 - Fabriqués à la main

4201.90 - Autres".

Sous-positions 4202.21 et 4202.22.

Nouvelle rédaction :

- Sacs à main, même à bandoulière, y compris ceux sans poignée :

"4202.23 -- A surface extérieure en cuir naturel, en cuir reconstitué ou en cuir verni, fabriqués à la main

4202.24 -- A surface extérieure en cuir naturel, en cuir reconstitué ou en cuir verni, autrement que fabriqués à la main

4202.25 -- A surface extérieure en feuilles de matières plastiques ou en matières textiles".

CHAPITRE 44.

Nouvelles sous-positions 4419.10 et 4419.90.

Insérer les nouvelles sous-positions 4419.10 et 4419.90 ci-après :

"4419.10 - Fabriqués à la main

4419.90 - Autres".

Sous-position 4420.10.

Nouvelle rédaction :

" - Statuettes et autres objets d'ornement, en bois :

4420.11 -- Fabriqués à la main

4420.19 -- Autres".

ARTICLE 16 PROCEDURE

AMENDMENTS TO THE NOMENCLATURE

CHAPTER 42.

New subheadings 4201.10 and 4201.90.

Insert the following new subheadings 4201.10 and 4201.90 :

“4201.10 - Hand-made

4201.90 - Other”.

Subheadings 4202.21 and 4202.22.

Delete and substitute :

“4202.23 -- With outer surface of leather, of composition leather or of patent leather, hand-made

4202.24 -- With outer surface of leather, of composition leather or of patent leather, other than hand-made

4202.25 -- With outer surface of plastic sheeting or of textile materials”.

CHAPTER 44.

New subheadings 4419.10 and 4419.90.

Insert the following new subheadings 4419.10 and 4419.90 :

“4419.10 - Hand-made

4419.90 - Other”.

Subheading 4420.10.

Delete and substitute :

“ - Statuettes and other ornaments, of wood :

4420.11 -- Hand-made

4420.19 -- Other”.

CHAPITRE 46.

Sous-position 4602.10.

Nouvelle rédaction :

" - En matières végétales :

4602.11 -- Fabriqués à la main

4602.19 -- Autres".

CHAPITRE 67.

Sous-position 6702.90.

Nouvelle rédaction :

" - En autres matières :

6702.91 -- Fabriqués à la main

6702.99 -- Autres".

CHAPITRE 69.

Nouvelles sous-positions 6912.10 et 6912.90.

Insérer les nouvelles sous-positions 6912.10 et 6912.90 ci-après :

"6912.10 - Fabriqués à la main

6912.90 - Autres".

Sous-position 6913.90.

Nouvelle rédaction :

" - Autres :

6913.91 -- Fabriqués à la main

6913.99 -- Autres".

CHAPTER 46.

Subheading 4602.10.

Delete and substitute :

“ - Of vegetable materials :

4602.11 -- Hand-made

4602.19 -- Other”.

CHAPTER 67.

Subheading 6702.90.

Delete and substitute :

“ - Of other materials :

6702.91 -- Hand-made

6702.99 -- Other”.

CHAPTER 69.

New subheadings 6912.10 and 6912.90.

Insert the following new subheadings 6912.10 and 6912.90 :

“6912.10 - Hand-made

6912.90 - Other”.

Subheading 6913.90.

Delete and substitute :

“ - Other :

6913.91 -- Hand-made

6913.99 -- Other”.

CHAPITRE 71.

Sous-positions 7113.11 et 7113.19.

Nouvelle rédaction :

- " - En métaux précieux, même revêtus, plaqués ou doublés de métaux précieux :
- 7113.12 -- En argent, même revêtu, plaqué ou doublé d'autres métaux précieux, fabriqués à la main
- 7113.13 -- En argent, même revêtu, plaqué ou doublé d'autres métaux précieux, autres
- 7113.17 -- En autres métaux précieux, même revêtus, plaqués ou doublés de métaux précieux, fabriqués à la main
- 7113.18 -- En autres métaux précieux, même revêtus, plaqués ou doublés de métaux précieux, autres

Sous-positions 7114.11 et 7114.19.

Nouvelle rédaction :

- " - En métaux précieux, même revêtus, plaqués ou doublés de métaux précieux:
- 7114.12 -- En argent, même revêtu, plaqué ou doublé d'autres métaux précieux, fabriqués à la main
- 7114.13 -- En argent, même revêtu, plaqué ou doublé d'autres métaux précieux, autres
- 7114.17 -- En autres métaux précieux, même revêtus, plaqués ou doublés de métaux précieux, fabriqués à la main
- 7114.18 -- En autres métaux précieux, même revêtus, plaqués ou doublés de métaux précieux, autres

CHAPITRE 94.

Sous-position 9401.50.

Nouvelle rédaction :

- " - Sièges en rotin, en osier, en bambou ou en matières similaires :
- 9401.51 -- Fabriqués à la main
- 9401.59 -- Autres".

CHAPTER 71.

Subheadings 7113.11 and 7113.19.

Delete and substitute :

- “ - Of precious metal whether or not plated or clad with precious metal :
- 7113.12 -- Of silver, whether or not plated or clad with other precious metal, hand-made
- 7113.13 -- Of silver, whether or not plated or clad with other precious metal, other
- 7113.17 -- Of other precious metal, whether or not plated or clad with precious metal, hand-made
- 7113.18 -- Of other precious metal, whether or not plated or clad with precious metal, other

Subheadings 7114.11 and 7114.19.

Delete and substitute :

- “ - Of precious metal whether or not plated or clad with precious metal :
- 7114.12 -- Of silver, whether of not plated or clad with other precious metal, hand-made
- 7114.13 -- Of silver, whether or not plated or clad with other precious metal, other
- 7114.17 -- Of other precious metal, whether or not plated or clad with precious metal, hand-made
- 7114.18 -- Of other precious metal, whether or not plated or clad with precious metal, other

CHAPTER 94.

Subheading 9401.50.

Delete and substitute :

- “ - Seats of cane, osier, bamboo or similar materials :
- 9401.51 -- Hand-made
- 9401.59 -- Other”.

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Sous-position 9403.80.

Nouvelle rédaction :

" - Meubles en autres matières, y compris le rotin, l'osier, le bambou ou les matières similaires :

9403.81 -- Fabriqués à la main

9403.89 -- Autres".

CHAPITRE 95.

Sous-position 9502.10.

Nouvelle rédaction :

" - Poupées, même habillées :

9502.11 -- Fabriquées à la main

9502.19 -- Autres".

Sous-position 9503.4.

Nouvelle rédaction :

" - Jouets représentant des animaux ou des créatures non humaines :

9503.42 -- Rembourrés, fabriqués à la main

9503.43 -- Rembourrés, autrement que fabriqués à la main

9503.47 -- Autres, fabriqués à la main

9503.48 -- Autres".

Sous-position 9505.10.

Nouvelle rédaction :

" - Articles pour fêtes de Noël :

9505.11 -- Fabriqués à la main

9505.19 -- Autres".

Subheading 9403.80.

Delete and substitute :

“ - Furniture of other materials, including cane, osier, bamboo or similar materials :

9403.81 -- Hand-made

9403.89 -- Other”.

CHAPTER 95.

Subheading 9502.10.

Delete and substitute :

“ - Dolls, whether or not dressed :

9502.11 -- Hand-made

9502.19 -- Other”.

Subheading 9503.4.

Delete and substitute :

“ - Toys representing animals or human creatures :

9503.42 -- Stuffed, hand-made

9503.43 -- Stuffed, other than hand-made

9503.47 -- Other, hand-made

9503.48 -- Other”.

Subheading 9505.10.

Delete and substitute :

“ - Articles for Christmas festivities :

9505.11 -- Hand-made

9505.19 -- Other”.

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CHAPITRE 96.

Nouvelles sous-positions 9602.10 and 9602.90.

Insérer les nouvelles sous-positions 9602.10 et 9602.90 ci-après :

"9602.10 - Fabriqués à la main

9602.90 - Autres".

CHAPTER 96.

New subheadings 9602.10 and 9602.90.

Insert the following new subheadings 9602.10 and 9602.90 :

“9602.10 - Hand-made

9602.90 - Other”.
