

Tax & Legal Alert  
July 2022



## Customs Alert

### The East African Community (EAC) Gazette 2022

The East African Community Council of Ministers ('Council') in its pre budget meetings held in May 2022 approved several measures on customs duty rates and remission of duty on inputs imported for manufacture of goods. The Council also approved the adoption of a four band common external tariff with a maximum rate of 35%, tariff splits and merges, amendment of the First Schedule of the EAC Rules of Origin amongst other measures. The changes were adopted by the Sectoral Council on Trade, Industry, Finance and Investment (SCTIFI) and published in the EAC Gazette Notice dated 30 June 2022.

The approved measures are generally geared towards promoting industrialization, protecting local industries, encouraging local investments and creating incentives in the agricultural and manufacturing sectors. We have summarized notable measures contained in the EAC Gazette Notice and analysed the impact of these changes on the affected parties. The changes contained in the Gazette Notice are effective 1 July 2022.

## Adoption of a four-band common external tariff structure

### The measure

The Council has adopted a four-band common external tariff structure for the EAC Community pursuant to Article 12(2) and (3) and 39(1)(c) of the EAC Customs Union Protocol (“the Protocol”).

Article 12 of the Protocol establishes a 3-band common external tariff with a minimum rate of 0% on raw materials and capital goods, 10% on intermediate goods and 25% on finished goods.

Further, the Partner States undertook, under Article 12(2), to review the maximum rate of the Common External Tariff (CET) after a period of five years from the coming into force of the Customs Union. The Partner States may review the CET structure and approve measures designed to remedy any adverse effects which any of the Partner States may experience due to implementation of CET structure or, in exceptional circumstances, to safeguard Community interests.

The Council approved a maximum rate of 35% on 5 May 2022 during the Ministers retreat on the comprehensive review of the EAC CET. Products covered under the 35% tariff band include: meat products, iron and steel, edible oils, beverages & spirits, furniture, leather products, fresh-cut flowers, fruits and nuts, sugar and confectionery, coffee, tea and spices, textiles and garments, head gears, ceramic products and paints, among others.

The objective of the comprehensive review of the CET structure is to address advances in technology, consideration by the Council on protectionism measures to be adopted and the elimination of stays of the CET application.

Further, the Council approved the fourth band of 35% in a bid to:

- Promote regional production capacity, industrialisation and value chain development;
- Improve consumer welfare;
- Protect revenue;
- Expand regional trade;
- Create employment opportunities through product diversification and value addition;
- Create new opportunities in the informal sector;
- Promote regional food security and rural development; and
- Protect and safeguard nascent industries.

### Our view

While approving the maximum rate of 35%, the Council noted that the current global trade disruptions arising from the crisis in Ukraine and Russia and the COVID 19 pandemic have provided important lessons on the importance of promoting regional industrialisation.

The comprehensive review of the CET is a welcome move that will provide an effective rate of protection to nascent industries, create a level playing field for industries, provide favourable tariff differential to support investment in higher value chains and promote welfare through creation of employment and increased revenue.

The introduction of a maximum rate of 35% is expected to promote industrialization in the region and safeguard consumer welfare on products where the region is net importing.

Whereas the 35% rate is likely to negatively impact the purchasing power of citizens in the region, in the long run, the welfare loss is expected to be compensated by the additional incomes earned by the citizens from the additional employment opportunities created through the expected growth in the local industries.

The promotion of local manufacturing, value addition and industrialization is also expected to boost realization of the benefits of the African Continental Free Trade Area (AfCFTA) through encouraging intra-regional trade.

Although one of the objectives of the CET was to eliminate stays of application, we note that the Council approved stay of application of the CET on several products. Perhaps the approval of stay of application of the CET for some products was based on the Council’s decision to implement the revised CET with flexibility for products affected by the current global economic realities.

## Stay of application of the Common External Tariff (CET)

### The measure

The Council has granted Kenya a stay of application of the CET on certain items to allow Kenya apply higher import duty rates (generally) for a period of one year. The extensive list of products is attached hereto in **Appendix I**.

### Our View

The Council has allowed Kenya to import various goods as listed in Appendix I at higher import duty rates to increase the landed cost of these products in a bid to protect locally manufactured products from competition arising from cheap imports. The Kenyan Government has in the last couple of years sought stay of application of the CET on similar products to promote growth of specific industries, create employment opportunities and increase food security. The affected industries include iron and steel, textile and agriculture, paper and paperboard, wood etc.

The Council has also approved application of lower import duty rates on certain products including rice and used clothing to shield consumers from high costs of these products considering lack of capacity to meet local demand.

## Increase of import duty rates

The Council has increased CET rate on the following products:

- a) Partly refined oil of tariff code 2710.19.10 from 0% to 10%.
- b) Non lubricating oils of Tariff Code 2710.19.56 from 10% to 25%. This is geared towards aligning the rate with lubricating oils and address tariff misclassification by importers who intend to pay at the lower rate of 10%.
- c) Lubricant preparations and preparations of a kind used for the oil or grease treatment of textile materials, leather, furskins or other materials of Tariff Heading 3403 from 10% to 25%. This was aimed at aligning the duty rate with similar products classified under Tariff Heading 2710 which attract 25% import duty.
- d) Hydraulic brake fluids and other prepared liquids for hydraulic transmission of Tariff Code 3819.00 from 10% to 25%.
- e) Self-adhesive plates, sheets, film, foil, tape, strip and other flat shapes, of plastics, whether or not in rolls of a width not exceeding 20cm from 10% to 25%. This product is considered to be a finished product which should attract import duty at 25% as per the principles of the CET product categorisation.
- f) Structures of Tariff Code 7308.30.00 from 25% to 35%.

## Splitting of tariff lines.

### The measure

The Council has approved the split of Tariff Code 1102.90.00, 8543.40.00 and Heading 2501 as proposed by the Regional Taskforce on CET review. We have detailed the tariff splits in **Appendix II**.

### Our view

The split of the tariff lines is aimed at addressing the following issues:

- Tariff Code 1102.90.00 which covers other flours has been split to incorporate rice flour which has been assigned a sensitive item rate of 75% or USD 345 /MT to accord it a similar treatment as flour of other sensitive items e.g., maize flour.
- Tariff Code 8543.40.00 which covered electronic cigarettes and similar. The split is meant to provide for electronic cigarettes and assign it a higher import duty rate of 35% inline with other tobacco products.

Generally, the tariff split was geared towards achieving the following objectives:

- a) To align the structure of some Headings with similar products of different materials;
- b) To provide for products which are classified in a subheading attracting a different rate from similar products classified in different subheadings; and
- c) To address inconsistency in duty rates applicable and the principle of categorisation.

## Amendment of HS code descriptions

The Council has amended descriptions of various tariff lines to address challenges experienced by the manufacturing sectors as follows:

- Amend description for HS Code 3919.90.10 from --- *In rolls of a width exceeding 100 cm, unprinted* to --- *In rolls of a width exceeding 20 cm, unprinted*. The CET previously included 2 subheadings for rolls of a width not exceeding 20cm and others and rolls of a width exceeding 100 cm. The description of HS Code 3919.90.00 has been amended to cater for rolls of a width exceeding 20cm which are imported by most manufacturers as an intermediate good.
- Amend description for HS Code 7310.29.20 from --- *Cans and ends for beverages* to --- *Cans and end for beverages and food*.
- Amend description for HS Code 7612.90.10 from --- *Cans and ends for beverages* to --- *Cans and end for beverages and food*. Cans and ends for beverages and food are categorised as intermediate goods under the EACCET. However, cans and ends for beverages are subject to 0% import duty while cans and ends for foods attract 25% import duty. HS Code 7310.29.20 and 7612.90.10 have been amended to include cans and ends for food in a bid to align the duty treatment and provide a level playing field for manufacturers of food and beverages.

## Merging of HS Code descriptions

### The Measure

The Council has merged various tariff lines under the CET mainly due to low trade volumes for articles covered under some of the tariff lines. The merged tariff lines are attached hereto under **Appendix III**.

### Our View

The CET is based on the World Customs Organisation nomenclature. Whereas the first 6 digits of CET are similar to the nomenclature, the last 2 digits are country specific and the EAC is allowed to subdivide the subheadings to cater for certain products and achieve certain community objectives.

The EAC Sectoral Council noted that some of the sub divided tariff lines under the CET have low trade volumes and are no longer necessary. It was also noted that there were no WCO explanatory notes for some of the sub divided tariff lines which posed implementation challenges for importers and customs administrations.

The merging of the tariff lines is aimed at addressing the above mentioned issues as well as align the CET to the nomenclature.

## Duty Remission under Section 140 of the EACCMA, 2004

### The Measure

Pursuant to Section 140 of the EACCMA, the Council has approved remission of import duty on the following raw materials and industrial inputs when imported by gazetted manufacturers in Kenya for a period of one year:

- a) Inputs for manufacture/assembly of mobile phones at 0%;
- b) Preparations for the treatment of textile materials, leather, furskins or other materials of Tariff Code 3403.11.00 and 3403.91.00 at 0%;
- c) Di-sodium sulphate of Tariff Code 2833.19.00 and sulphates of aluminium of Tariff Code 2833.22.00 used for manufacture of detergents, wood pulp, plate glass, window glass and bottles at 0%;
- d) Organic surface-active agents (anionic, cationic, other – other organic surface agents) Betaine 45 softening agent at 10%;
- e) Galvanised coils of a thickness of 1.3mm and above of Tariff Code 7210.49.00 for manufacture of steel structural members at 0%;
- f) Wheat at 10% instead of 35%;
- g) Other bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel of circular cross-section measuring more than 14 mm in diameter used for manufacture of bolts and nuts at 0%;
- h) Inputs of tariff codes 2517.49.00 (Geobitex stone chips), 7210.61.00 (Alu-zinc coated steel coils) and 3906.90.00 (acrylic copolymers) used in the manufacture of roofing tiles at 0%;
- i) Various inputs used in the manufacture of energy saving stoves at 0%;
- j) Inputs for manufacture of wiring harnesses for vehicles and motorcycles at 0%;
- k) Various Inputs used for manufacture of radiators of at 0% instead of 10%;
- l) Base oils of Tariff Code 2710.19.59 and additives of Tariff Code 3811.21.00 and 3811.29.00 for manufacture of lubricants at 0%;
- m) Centrifugal fan for the manufacture of heating, ventilating air condition (HVAC) systems and cold rooms at 0%; and
- n) Acrylic polymers in primary form of Tariff Code 3909.50.00 used for manufacturers of leather and footwear at 0%.

### Our view

Section 140 of the EAC CMA as read together with Regulation 3 of the EAC (Duty Remission) Regulations, 2008 provides that the EAC Council may grant duty remission on goods imported for manufacture of goods in a Partner State for export or goods for home consumption as may be approved by the Council from time to time through a Gazette notice. Further, Section 140(3) of the EACCMA provides that the manufacturer and approved quantity of goods with respect to which remission is granted shall be published by the Council in the EAC Gazette.

The Council has approved the remission of import duty on the above listed inputs imported by gazetted manufacturers in Kenya to reduce their costs of production and thereby improve competitiveness of these products in the export market.

In order for the manufacturers to benefit from the duty remission, they will be required to seek approval from the Council through a Gazette Notice which will include the approved quantity of inputs to be imported within a period of one year.

### Extension of stay of conditions for importation of Completely Knocked Down (CKD) kits for motor cycle assembly

#### The measure

The Council has extended the stay of application of the conditions contained in legal notice no EAC/39/2013 of 30th June 2013 on duty remission for motor cycles assembly for one year. This legal notice allows for duty remission for assemblers of CKD motor cycles who procure or manufacture the following specified parts within the EAC: main frame, suspension, or a combination of seat and seat frame, mudguard, wheel rim, break gear and exhaust pipe.

#### Our view

The EAC embarked on developing a regulatory framework for motor cycles assembly in 2019 to provide for, inter alia, qualifying requirements the duty remission. The regulatory framework will provide for minimum level of local content that assemblers of motor cycles should meet to qualify for duty remission to encourage manufacture of targeted motor cycle parts in Kenya. The Council has extended the stay of conditions contained in Legal Notice EAC/39/2013 to allow for finalisation and adoption of the draft regulatory framework.

### Duty remission on raw materials and inputs for manufacture of garments and other textile made up products

#### The measure

The Council has approved remission of import duty on raw materials and inputs used for the manufacture of garments and other textile made up products when imported by approved manufacturers for a period of one year. We have attached the approved list of raw materials and inputs in **Appendix IV**.

The remission has been approved subject to the following conditions:

- In the event that the finished products are sold within the EAC, such goods shall attract import duty at CET rates; and
- Kenya shall submit vetted manufacturers and quantities of raw materials to be imported for gazettelement.

The Council has also amended Legal Notice No. EAC/81/2019 by replacing the word “*textile (Garments) imported by manufactures*” with the words “*garments and other textile made up products.*”



Legal Notice EAC/81/2019 provides for duty remission on raw materials and industrial inputs for the manufacture of textile (Garments) imported by manufacturers.

### Our view

The remission of import duty on raw materials and inputs used in the manufacture of garments and textile made up products is a laudable move that is expected to encourage investment in the textile industry.

### Review of the First Schedule of The EAC Rules Of Origin.

#### The Measure

The Council has adopted the modifications to the First Schedule of the EAC Rules of Origin to update the Schedule in accordance with the Harmonized Commodity Description and Coding System 2022 Version of the WCO.

Specifically, the Council has updated the product description and tariff lines under the First Schedule of the EAC Rules of Origin and amended the main rules and schedules to rectify some identified errors.

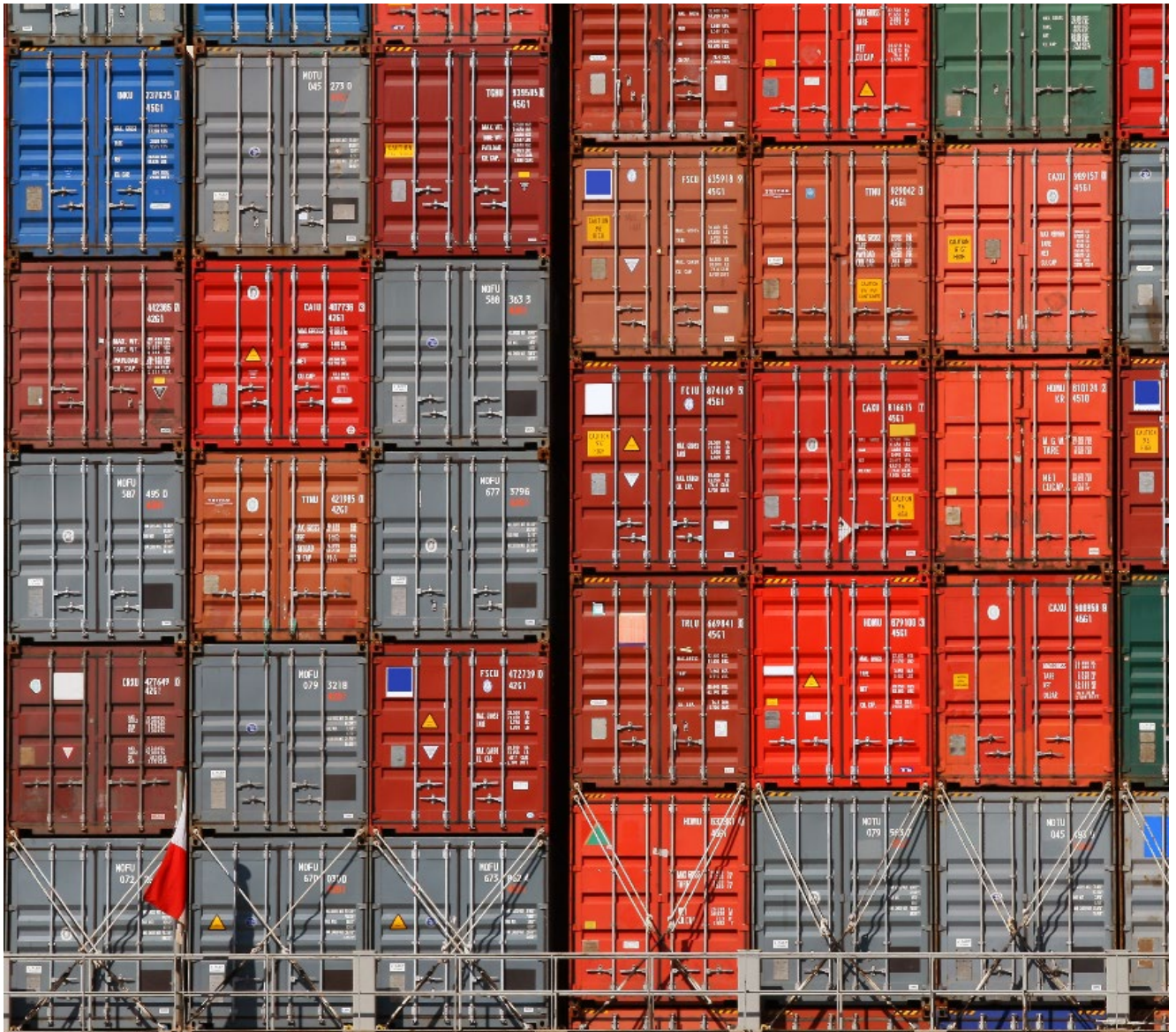
#### Our View

Rule 4 of the EAC Rules of Origin provides that goods shall be accepted as originating in Kenya if produced in Kenya incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in Kenya.

Rule 6 further provides that a product is considered to be sufficiently worked or processed when the product meets the criteria set out in the First Schedule of the EAC Rules of Origin.

The First Schedule of EAC Rules of Origin lists products and working or processing operations which confer originating status.

The Council has amended the description of products and the criteria to align it with the changes in the 2022 version of the nomenclature.



## Appendix I - Stay of Application of the CET

#	Tariff code/heading	Product description	CET rate	Rate applicable for 1 year
1	8517.13.00	Smartphones	0%	25%
2	8517.14.00	Other telephones for cellular networks or for other wireless networks	0%	25%
3	6309.00.10	Worn items of clothing	35% or USD 0.40/KG	35% or USD 0.20/KG
	0701.90.00	Cooked potatoes, fresh or chilled, other than seed	25%	35% or USD 400/MT
	0710.10.00			
4	2004.10.00	Cooked potatoes, fresh or chilled, other than seed	35%	35% or USD 400/MT
	2005.20.00			
5	2005.59.00	Other vegetables prepared or preserved	35%	35% or USD 400/MT
6	2005.40.00	Peas (Pisum sativum)	35%	35% or USD 250/MT
7	2005.80.00	Sweet corn (Zea mays var. saccharate)	35%	35% or USD 250/MT
8	2002.10.00	Tomatoes, whole or in pieces	35%	35% or USD 250/MT
9	2002.90.00	Tomato Paste and other Preserved tomatoes.	35%	35% or USD400/MT
10	6802	Tiles	25%	35%
11	8528.72.90	Television set	25%	35%
12	1006	Rice	75% or USD 345/MT	35% or USD 200/MT
	3402.49.00			
13	3402.50.00	Detergent powder	25%	35% or USD 500/MT
14	3401.19.00	Laundry soaps	35%	35% or USD 500/MT
15	3401.11.00	Bathing bar soap/toilet soap	35%	35% or USD 500/MT
16	3401.20.10	Soap noodles	35%	35% or USD 500/MT
17	3401.20.90	Soap in other forms	35%	35% or USD 500/MT
18	7217.20.00	Wire of iron or non-alloy steel plated or coated with zinc.	10%	35% or USD 300/MT
19	7311.00.00	Containers for compressed or liquefied gas, of iron or steel.	0%	35%
20	1905.31.00	Sweet biscuits	35%	35% or USD 525/MT
21	2103.20.00	Tomato sauce	35%	35% or USD 350/MT
22	2103.90.00	Sauces and preparations therefor; mixed condiments and mixed seasonings; mustard flour & meal & prepared mustard	35%	35% or USD 500/MT
23	1901.90.10	Malt extract	10%	25% or USD 250/MT
24	1901.90.90	Other food preparations of flour, groats, meal, starch	25%	25% or USD 250/MT
25	1904.10.00	Prepared foods obtained by the swelling or roasting of cereals or cereal products	25%	35%
26	1904.90.00	Other	25%	35%
27	2710.19.51	Lubricants in liquid form	25%	35%
28	2710.19.52	Lubricating greases	25%	35%
29	8311.10.00	Coated electrodes of base metal, for electric arc-welding	25%	35% or USD 350/MT
30	3605.00.00	Safety matches	25%	25% or USD 1.35/KG
31	7612.90.90	Aluminium Milk Cans	25%	35%
32	4805.19.00	Other uncoated paper and paper board in rolls or sheets, not further worked or processed weighing 150g	10%	25%
	7214 except			
33	7214.20.00	Other bars and rods of iron or non-alloy steel , not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling.	35%	35% or USD 300/MT.
34	7215	Other bars and rods of iron or non-alloy steel.	35%	35% or USD 300/MT.

Appendix I - Stay of Application of the CET ...continued

#	Tariff code/heading	Product description	CET rate	Rate applicable for 1 year
35	1507.90.00	Refined soya bean oil	35%	25% or USD 500/MT
36	1511.90.30	RDB palm olein	35%	25% or USD 500/MT
37	1511.90.40	RDB palm stearin	10%	25% or USD 500/MT
38	1511.90.90	Other refined palm oil	35%	25% or USD 500/MT
39	1512.19.00	Sunflower oil	35%	25% or USD 500/MT
40	1515.29.00	Refined corn oil	35%	25% or USD 500/MT
41	9619.00.90	Baby Diapers	25%	35%
42	7317.00.00	Nails, tacks, and drawing pins, corrugated nails staple other than those of Heading 8305 and similar articles of iron or steel, whether or not with heads of other materials	25%	35% or USD 350/MT
43	1517.90.00	Margarine; edible mixtures	35%	35% or USD 500/MT
44	3903.20.00	Styrene acrylic	0%	10%
45	4410	Particle board, Oriented Strand Board (OSB) and other similar boards	25%	35% or USD 175/MT
46	4411	Fibreboard of wood or other ligneous materials, whether or not bonded with resins or other organic substances	25%	35% or USD 200/MT
47	4412.10.00	Plywood, veneered panels and similar laminated wood	25%	35% or 250/M <sup>3</sup>
	4412.31.00			
	4412.33.00			
	4412.34.00			
	4412.39.00			
	4412.41.00			
	4412.42.00			
48	4412.49.00	Blockboard, laminboard and battenboard	25%	35% or USD 250/M <sup>3</sup>
	4412.51.00			
	4412.52.00			
	4412.59.00			
	4412.91.00			
	4412.92.00			
4412.99.00				
49	4804.11.00	Unbleached Kraft liner	25%	10%
50	4804.21.00	Unbleached Sack Kraft paper	25%	10%
51	4804.31.00	Other Kraft paper and paperboard weighing 150 g/m <sup>2</sup> or less - Unbleached	25%	10%

Appendix I - Stay of Application of the CET ...continued

#	Tariff code/heading	Product description	CET rate	Rate applicable for 1 year
52	Chapter 61 and 62 (excluding kitenge, khanga and kikois of tariff codes 6211.42.10, 6211.43.10 and 6211.49.10	Articles of apparel and clothing accessories	25%	35%
53	7209.16.00 7209.17.00 7209.18.00 7209.26.00 7209.27.00 7209.28.00 7209.90.00	Flat-rolled products of iron or non-alloy steel of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated.	10%	10% or USD 150/MT
54	7210.30.00	Flat-rolled products of iron or non-alloy steel electrolytically plated or coated with zinc/aluminium (metal coating)	25%	35% or USD 275/MT
55	7210.41.00	Flat-rolled products of iron or non-alloy steel; otherwise plated or coated with zinc – Corrugated	35%	35% or USD 300/MT
56	7210.49.00	Flat-rolled products of iron or non-alloy steel; otherwise plated or coated with zinc - Other	25% or USD 200/MT	35% or USD 300/MT
57	7210.61.00	Flat-rolled products of iron or non-alloy steel plated or coated with aluminium-zinc alloys	25% or USD 200/MT	35% or USD 300/MT
58	7210.69.00	Flat-rolled products of iron or non-alloy steel - other plated or coated with aluminium	25% or USD 200/MT	35% or USD 300/MT
59	7210.70.00	Flat-rolled products of iron or non-alloy steel painted, varnished or coated with plastics	25% or USD 200/MT	35% or USD 300/MT
60	7210.90.00	Other flat-rolled products of iron or non-alloy	25% or USD 200/MT	35% or USD 300/MT
61	7211.23.00	Flat-rolled products of iron or non alloy steel, of a width of less than 600 mm, not clad, plated or coated - Not further worked than cold-rolled (cold-reduced) Containing by weight less than 0.25% of carbon	10%	10% or USD 150/MT
62	7211.29.00	Flat-rolled products of iron or non alloy steel, of a width of less than 600 mm, not clad, plated or coated - Not further worked than cold-rolled (cold-reduced) - Other	25%	25% or USD 250/MT
63	7211.90.00	Other flat-rolled products of iron or non alloy steel, of a width of less than 600mm, not clad, plated or coated	10%	10% or USD 150/MT
64	7212.20.00	Flat-rolled products of iron or non alloy steel, of a width of less than 600 mm, clad, plated or coated - electrolytically plated or coated with zinc (Metal)	10%	35% or USD 275/MT
65	7212.30.00	Flat-rolled products of iron or non alloy steel, of a width of less than 600 mm, clad, plated or coated - Otherwise plated or coated with zinc	25% or USD 200/MT	35% or USD 275/MT
66	7212.40.00	Flat-rolled products of iron or non alloy steel, of a width of less than 600 mm, clad, plated or coated- Painted, varnished or coated with plastics	35%	35% or USD 350/MT



Appendix I - Stay of Application of the CET ...continued

#	Tariff code/heading	Product description	CET rate	Rate applicable for 1 year
67	7212.50.00	Flat-rolled products of iron or non alloy steel, of a width of less than 600mm, clad, plated or coated - Otherwise plated or coated	35%	35% or USD 350/MT
68	7212.60.00	Flat-rolled products of iron or non alloy steel, of a width of less than 600 mm, clad, plated or coated - Clad	10%	35% or USD 350/MT
69	7216.31.00, 7216.32.10, 7216.33.10, 7216.40.10	Angles, shapes and sections of iron or non-alloy steel - U, I, H, L or T sections of a height not more that 8mm.	0%	35% or USD 350/MT
70	7217.10.00	Wire of iron or nonalloy steel - Not plated or coated, whether or not polished	10%	35% or USD 300/MT
71	7222	Bars and rods of stainless steel; angles, shapes and sections of stainless steel.	10%	35% or USD 300/MT
72	7225.50.00	Flat-rolled products of other alloy steel, of a width of 600 mm or more - Other, not further worked than cold-rolled (cold-reduced)	10%	10% or USD 150/MT
73	7225.91.00	Flat-rolled products of other alloy steel, of a width of 600 mm or more - Electrolytically plated or coated with zinc (Metal Coated)	10%	35% or USD 300/MT
74	7225.92.00	Flat-rolled products of other alloy steel, of a width of 600 mm or more - Otherwise plated or coated with zinc (Metal Coated)	10%	35% or USD 300/MT
75	7225.99.00	Other flat-rolled products of other alloy steel, of a width of 600 mm or more	10%	35% or USD 300/MT
76	7226.92.00	Flat-rolled products of other alloy steel, of a width of less than 600 mm - Not further worked than cold-rolled (cold-reduced)	10%	10% or USD 150/MT
77	7226.99.00	Flat-rolled products of other alloy steel, of a width of less than 600 mm - Other	10%	35% or USD 350/MT
78	7306.30.00	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel - Other, welded, of circular cross-section, of iron or non-alloy steel	25%	35% or USD 350/MT
79	7306.40.00	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel - Other, welded, of circular cross-section of stainless steel	25%	35% or USD 350/MT
80	7306.50.00	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel - Other, welded, of circular cross-section, of other alloy steel	25%	35% or USD 350/MT
81	7306.61.00	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel - Of square or rectangular cross-section	25%	35% or USD 350/MT
82	7306.69.00	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel – of other non-circular cross-section	25%	35% or USD 350/MT
83	7306.90.00	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel.	25%	35% or USD 350/MT
84	7217.30.10	Wire of iron or non-alloy steel of a kind used in the manufacture of tyres	0%	35% or USD 300/MT
85	7308.10.00	Bridges and bridge sections	25%	35% or USD 350/MT
86	7308.20.00	Towers and lattice masts	25%	35% or USD 350/MT
87	7308.30.00	Doors, windows and their frames and thresholds for doors	35%	35% or USD 350/MT

Appendix I - Stay of Application of the CET ...continued

#	Tariff code/headin g	Product description	CET rate	Rate applicable for 1 year
88	7308.40.00	Equipment for scaffolding, shuttering, propping or pit propping	25%	35% or USD 350/MT
89	7308.90.91	Road guard rails	10%	35% or USD 350/MT
90	7308.90.99	Other (Structural steelwork)	25%	35% or USD 350/MT
91	7318.11.00	Coach screws	10%	35% or USD 350/MT
92	7318.12.00	Other wood screws	10%	35% or USD 350/MT
93	7318.13.00	Screw hooks and screw rings	10%	35% or USD 350/MT
94	7318.14.00	Self-tapping screws	10%	35% or USD 350/MT
95	7318.16.00	Nuts	10%	35% or USD 350/MT
96	7318.19.00	Other	10%	35% or USD 350/MT
97	7318.23.00	Rivets	10%	35% or USD 350/MT
98	7318.29.00	Other	10%	35% or USD 350/MT
99	7318.15.00	Other screws and bolts, whether or not with their nuts or washers	25%	35% or USD 350/MT
100	7320.10.00	Leaf-springs and leaves of iron and steel	35%	35% or USD 350/MT
101	7321.19.00, 7321.89.00	Stove, range, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas rings, plate warmers and similar non-electric domestic appliances, and part thereof, of iron or steel - Other cooking appliances and plate warmers, including appliances for solid fuel - Other appliances including appliances for solid fuel	10%	35%
102	7323.10.00 7323.10.90	Iron or steel wool; pot scourers and scouring or polishing pads, gloves and the like	25%	35% or USD 350/MT
103	7326.90.90	Other articles of iron or steel.	25%	35% or USD 300/MT
104	8304.00.00	Filing cabinets	25%	35% or USD 350/MT
105	2007	Jams, fruit jellies, marmalades, fruit or nut purée and fruit or nut pastes, obtained by cooking, whether or not containing added sugar or other sweetening matter - Other	35%	35% or USD 250/MT
106	9406.10.90 9406.20.90 9406.90.90	Prefabricated buildings – Others	25%	35% or USD 350/MT
107	6907	Ceramic flags and paving, hearth or wall tiles; unglazed ceramic mosaic cubes and the like, whether or not on a backing; finishing ceramics.	35%	35% or USD 2.25/SQM

## Appendix I - Stay of Application of the CET ...continued

#	Tariff code/headin g	Product description	CET rate	Rate applicable for 1 year
108	4202	Trunks, suit-cases, vanity-cases, executive-cases, brief-cases, school satchels, spectacle cases, binocular cases, camera cases, musical instrument cases, gun cases, holsters and similar containers; travelling-bags, insulated food or beverages bags, toilet bags, rucksacks, handbags, shopping-bags, wallets, purses, map-cases, cigarette-cases, tobacco-pouches, tool bags, sports bags, bottle-cases, jewellery boxes, powder-boxes, cutlery cases and similar containers, of leather or of composition leather, of sheeting of plastics, of textile materials, of vulcanised fibre or of paperboard, or wholly or mainly covered with such materials or with paper.	25%	35%
109	8802.11.00	Helicopters of unladen weight of below 2000kgs	0%	25%
110	8802.12.00	Helicopters of unladen weight of above 2000kgs	0%	25%
111	8802.20.00	Aeroplanes and other aircraft, of an unladen weight not exceeding 2,000 kg	0%	25%
112	8544 excluding cables of tariff code 8544.70.00	Insulated (including enamelled or anodized) wire, cable (including co-axial cable) and other insulated electric conductors, whether or not fitted with connectors; optical fibre cables, made up of individually sheathed fibres, whether or not assembled.	25%	35%
113	8536.50.00	Other switches for a volt not exceeding 1,000 volts	10%	35%
114	8507.10.00, 8507.20.00	Lead-acid batteries	25%	35%
115	7310.10.00	Milk cans of a capacity of 50l or more	25%	35% or USD 300/MT
116	7615.10.10	Table, kitchen or other household articles and parts thereof	25%	35%
117	7606.11.00	Aluminium Coils – plain - not alloyed.	10%	35%
118	7606.12.00	Aluminium Coils – Painted	25%	35%
119	7606.91.00	Aluminium plates, sheets and strip, of a thickness exceeding 0.2 mm – of aluminium, not alloyed	10%	35%
120	7604	Aluminium bars, rods and profiles	25%	35%
121	7313.00.00	Barbed wire of iron or steel; twisted hoop or single flat wire, barbed or not, and loosely twisted double wire, of a kind used for fencing, of iron or steel.	35%	35% or USD 350/MT
122	7314.31.00	Cloth (including endless bands), grill, netting and fencing, of iron or steel wire; expanded metal of iron or steel--- Plated or coated with zinc	25%	35% or USD 350/MT
123	7221.00.00	Bars and rods, hot-rolled, in irregularly wound coils, of stainless steel.	10%	35% or USD 300/MT
124	7407.29.00	Other rods, Bars, Profiles of others	10%	25%

## Appendix II - Tariff line splits

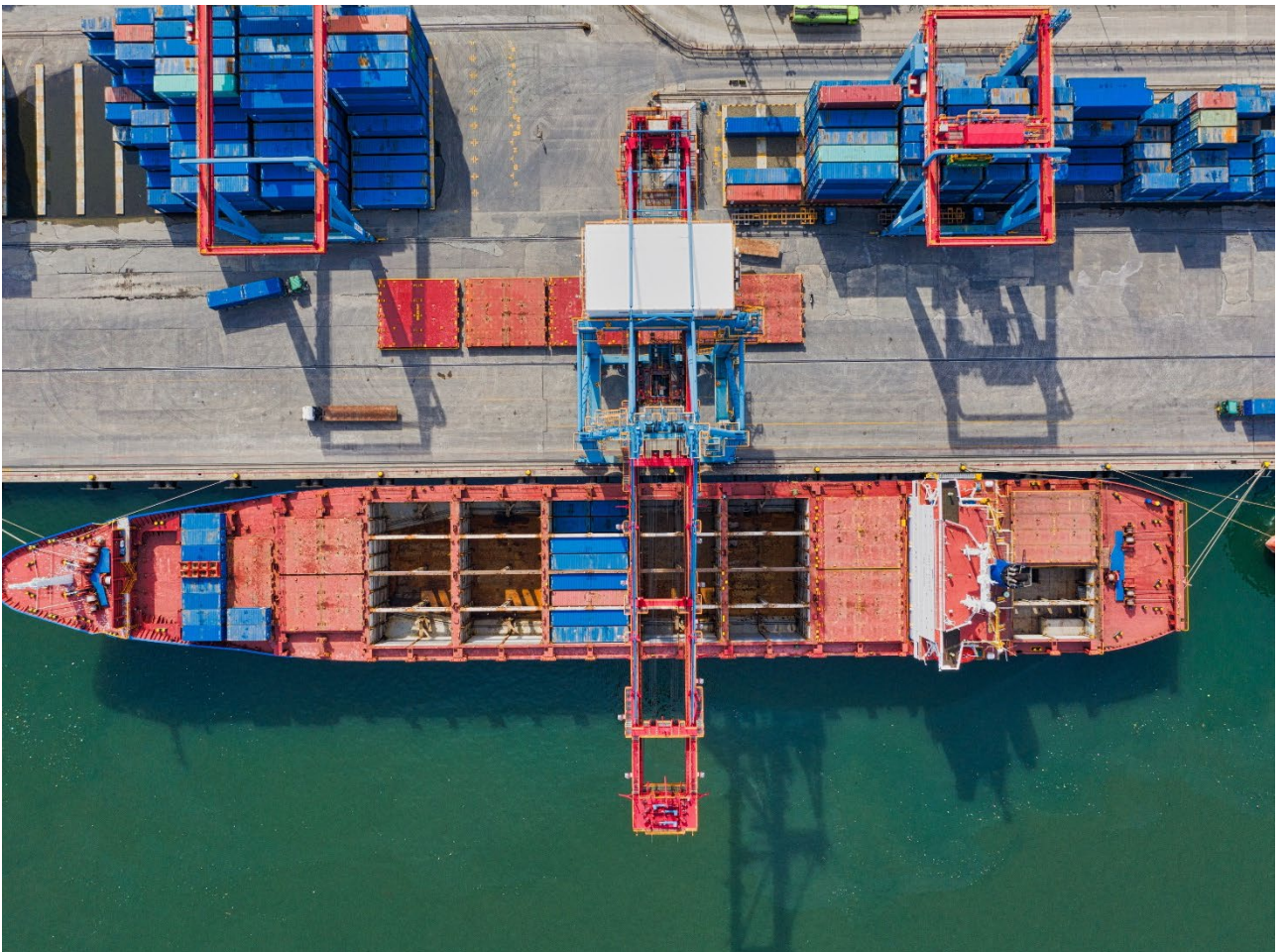
	HS Code	Decision	New HS Codes	Description	Unit of Measure.	Rate
1.	1102.90.00	Split HS Code 1102.90.00	1102.90.10	--- rice flour	KGS	75% or USD 345/ M
			1102.90.90	--- other	KGS	25%
2.	25.01	Split Heading 25.01  Salt (including table salt and denatured salt) and pure sodium chloride, whether or not in aqueous solution or containing added anti-caking or free-flowing agents; seawater.	2501.00.10	--- raw salt	KGS	25%
			2501.00.90	--- other	KGS	35%
3.	8543.40.00	Split HS Code 8543.40.00 - Electronic cigarettes and similar personal electric vaporizing devices	8543.40.10	--- electronic cigarettes	u	35%
			8543.40.90	--- similar personal electric vaporizing devices	u	25%





Appendix III - Tariff merges

	HS Code	Description	Decision
1.	3813.00.30	--- Containing methane, ethane or propane hydrochlorofluorocarbons (HCFCs)	Delete 3813.00.30 Goods to be classified under 3813.00.90
2.	3813.00.40	--- Containing bromochloromethane	Delete 3813.00.40 Goods to be classified under 3813.00.90
3.	4806.10.10 4806.10.90	- Vegetable parchment: --- Printed --- Other	Merge 4806.10.10 and 4806.10.90 Goods to be classified under 4806.10.00
4.	3819.00.10	--- Automatic Transmission Fluid for lubricating Other	Delete 3819.00.10 Goods to be classified under 3819.00.00





**Appendix IV - Duty remission on raw materials and inputs for manufacture of garments and other textile made up products**

	HS Code	Description	CET rate	Rate to be applied under Remission
1	5604.90.00	Other rubber thread and cord, textile covered; textile yarn, and strip and the like of heading 54.04 or 54.05, impregnated, coated, covered or sheathed with rubber or plastics.	10%	0%
2	5602.10.00	Needle Loom felt and stitch-bonded fibre fabrics	25%	10%
3	5407.10.00	Woven fabrics obtained from high tenacity yarn of nylon or other polyamides or of polyesters	25%	10%
4	5513.11.00	-- Of polyester staple fibres, plain weave	25%	10%
5	5513.21.00	-- Of polyester staple fibres, plain weave	25%	10%
6	5208.31.00	-- Plain weave, weighing not more than 100 g/m2	25%	10%
7	5208.32.00	-- Plain weave, weighing more than 100 g/m2	25%	10%
8	5208.33.00	-- 3-thread or 4-thread twill, including cross twill	25%	10%
9	5208.39.00	-- Other fabrics	25%	10%
10	5208.41.00	-- Plain weave, weighing not more than 100 g/m2	25%	10%
11	5208.42.00	-- Plain weave, weighing more than 100 g/m2	25%	10%
12	5208.43.00	-- 3-thread or 4-thread twill, including cross twill	25%	10%
13	5208.49.00	-- Other fabrics	25%	10%
14	5208.51.90	---- Other	25%	10%
15	5208.52.90	---- Other	25%	10%
16	5208.59.00	-- Other fabrics	25%	10%
17	5309.21.00	-- Plain weave	25%	10%
18	5309.29.00	-- Other fabrics	25%	10%



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