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GENERALIZED SYSTEM OF PREFERENCES

Notification by New Zealand

Addendum

For the information of contracting parties, the delegation of New Zealand has provided details of its revised handicraft scheme which entered into force on 1 April 1979.

My authorities have recently approved a revised duty-free concession for certain handicrafts produced in developing countries which are beneficiaries of New Zealand's GSP scheme.

The details of the preferential treatment, which took effect from 1 April 1979, are set out in the attached appendices:

- A. Approved Handicraft Goods
- B. Definition of "Handicraft".

In the course of reviewing the scheme the opportunity was taken to respond to representations received from developing countries concerning the coverage of the scheme. As a result the revised scheme is significantly broader in scope than was previously the case, and free of certain anomalies which had previously restricted its operation. Minor amendments have been made to the definition of "handicraft" for the purposes of clarification, and the revised scheme is basically simpler in concept e.g. the new format for "Approved Handicraft Goods" has meant that the former sections detailing "Approved Materials" and "Examples of Materials which are not Approved", have become redundant and are therefore deleted.

Appendix A

Approved Handicraft Goods

1. All Articles of:

Abaca fibre, bamboo, banana fibre, bark, berries, bone, cameo-shell, cane, clay, coconut (fibres, leaf-bud, leaves, sheath, shell), copper and copper alloys, coral, hand-woven cordage, hibiscus fibre, horn, ivory, lava, mother of pearl, natural gums, natural resins, palm leaves, pandanas, pine-needles, pine-shells, quills, raffia, rattan, reeds, sakiki leaves, seeds, shell, sisal, straw, stone, tapa, teeth, tin and tin alloys, tortoise-shell (including, in the case of jewellery, tortoise-shell with metal inlay), tusks, twine,

or combinations thereof.

2. A. Articles of <u>natural wood</u>, viz.:

Bowls, canoes, decorative carvings, dishes, dolls, drums, fans, figurines, furniture, gongs, masks, model houses, picture-frames, table articles, trays, walking-sticks, weapons.

B. Articles of leather, viz.:

Hand-tooled and hand-embroidered apparel; hand-tooled and silver inlaid hand-made saddlery and harness.

C. Articles of silk, wool, cotton, linen, jute and other vegetable fibres not already specified under paragraph 1 above, viz.:

Hand-woven textiles; fabrics, hand-printed (block, screen or batik printed), weighing less than 186 g/m^2 and not containing man-made fibres; table linen of the foregoing hand-printed fabrics; jute belts.

- 3. Plastic-covered bamboo baskets.
- Note: Products must be wholly or principally by weight of the approved materials. However, other materials are permitted if they are of a minor nature and do not contribute towards or detract from the essential nature of the goods (e.g. filling of wood-wool).

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Appendix B

Definition of "Handicraft"

The concession applies to goods which the Collector is satisfied 1. are made:

- (a) by hand;(b) by tools held in the hand;
- (c) by machines powered by foot or hand; or
- (d) by any combination of the foregoing processes.

However, goods that have been "hand crafted" within the definition 2. above from machine-made or processed materials of basic form, that is to say, materials in a form not predetermined by its intended ultimate end-use (e.g. a rectangular sided block of stone; a billet of wood, a rectangular sheet of copper) will not normally be excluded from being "handicrafts".

Goods are not precluded from being regarded as "handicrafts" by 3. reason of the use in their manufacture of:

- (a) mechanically powered tools, provided they are held in the hand (e.g. electric drill) - this does not cover a situation where the article being produced is held in the hand and worked on a machine tool fitted to bench, stand or other support; or
- (b) machines not held in the hand, provided they are hand or foot powered (e.g. treadle-operated sewing machines and potters' wheels); or
- (c) machine-made materials and components of a minor nature that are incidental to the assembly or normal operation of those goods (e.g. sewing threads, plain buttons, plain fasteners, nails, screws, plain hinges, paint or dyes).

4. Goods made up by hand, in whole or part from machine-made components, would not normally qualify as "handicrafts".

5. Goods held by hand against a cutting or grinding tool driven by a bench power driven machine whereby artistic or decorative effects are produced will not be regarded as "handicrafts".

