

SCHEDULE A

Australian

Tariff Item

Brief description of goods

03.03.100

Prawns, crustaceans

07.02.100}

Vegetables preserved by freezing

07.02.900}

08.10

Fruit preserved by freezing

09.01.900

Coffee, other roasted, husks and skins, other

09.10.400

Ginger in packs, in liquid

09.10.500

Ginger, NSA

Ex 15.07.3

Peanut oil

16.04.220

Tuna, prepared or preserved

16.04.240

Cutlets, chunks, etc other than salmon or tuna

16.05.200

Prepared or preserved shrimps, prawns and their meat not packed in airtight containers

20.02.300

Mushrooms

20.03

Fruit preserved by freezing

20.06.100

Ginger in syrup

20.06.910}

Other preserved fruit

20.06.990}

21.02.100

Extracts, essences or concentrates of coffee

24.01

Tobacco, unmanufactured

39.01.330}

39.02.330}

Coated textile fabrics

39.03.330}

39.07.230

Coats (plastic)

39.07.240

Curtains (plastic)

44.18.000

Reconstituted woods, etc, particle board

48.09.100

Hardboard

50.09.3}

Silk fabrics containing not less than 20 per cent by weight of man-made fibres

50.10.2}

Ex 51.01 (a)

Man-made fibre yarn, other than viscose yarn

Ex 51.03 (a)

Man-made fibre yarn, other than viscose yarn

Ex 51.04 (a)

Woven fabrics of man-made fibre, other than viscose tyre cord fabrics

Ex 55.05 (a)

Cotton yarn

55.08

Terry towelling

Ex 55.09 (a)

Other woven fabrics of cotton

Ex 56.05 (a)

Yarn of man-made fibres

Ex 56.06 (a)

Yarn of man-made fibres

Ex 56.07 (a)

Woven fabrics of man-made fibres

Ex 58.02 (a)

Other carpets

Ex 58.04 (a)

Other woven pile fabrics

Ex 58.05 (a)

Narrow woven fabrics

58.06

Woven labels and badges

Ex 59.03 (a)

Bonded fibre fabrics

59.04

Twine, cordage

59.08

Plastic coated fabric

Ex 59.11 (a)

Rubberised textile fabrics

60.01

Knitted fabrics

60.03

Stockings, socks

60.04

Knitted undergarments

60.05

Knitted outer garments

60.06

Knitted fabrics

61.01

Men's and boys' outer garments

61.02

Women's, girls' and infants' outer garments

61.03

Men's and boys' undergarments

61.04

Women's, girls' and infants' undergarments

61.09

Corsets, brassieres, braces and the like

61.11

Made up apparel accessories

62.02

Bed linen, curtains, etc

62.03

Sacks and bags

62.05

Other made up textile articles

64.01

Footwear, rubber or plastic uppers and soles

64.02

Leather footwear and footwear with rubber or plastic soles

64.03

Other footwear, wood/cork soles

64.04

Other footwear, other soles

64.05

Parts for footwear

71.16

Imitation jewellery

90.03.000  
Spectacle frames

90.04.000  
Spectacles, etc

94.01  
Chairs and other seats

94.03.900  
Other furniture

(a) These items exclude all products which are admitted free of duty under the Preferential Tariff.

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## SCHEDULE B

Australian

Tariff Item  
Brief description of goods  
Import treatment

08.09.100}  
- Quantities not exceeding 273,000 litres single strength

08.10.100}  
equivalent per annum

08.11.100}  
Passionfruit pulp and  
- duty free

20.03.100}  
passionfruit juice  
- quantities in excess of the above amount and other

20.06.300}  
juices falling within item 20.07.500

20.07.300}  
- rate of duty specified in the Australian Customs

20.07.500}  
Tariff

44.15.100

Plywood (excluding

- Quantities of moisture resistant plywood not plywood covered with any exceeding 7.1 million square metres on a 1mm basis other material)

- duty free

- quantities of moisture resistant plywood in excess of the above amount and other plywood falling within item 44.15.100

- rate of duty specified in the Australian

Customs Tariff

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## SCHEDULE C

Papua New Guinea Tariff Item

Description of goods

Ex 2

Poultry dressed and poultry pieces, frozen

12

Rice, whether in husk or not (including polished and broken rice)

14

Meal and flour of wheat (including meslin)

17

Biscuits of all kinds

19

Dried fruits, including artificially dehydrated

21

Confectionery, ie, all types of candy and chocolate; candied, glazed or crystalised fruit peel, parts of plants; not including mixed or candied fruits ready-prepared for culinary use

22

Preserved fruits (including ginger, n.e.i.) whole or in pieces, whether frozen in brine or in airtight containers, fruit pulp, n.e.i.

25

Fruit syrups, cordials and natural fruit flavours

28

Coffee beans whether roasted or otherwise including all preparations thereof

31

Tea, including all preparations thereof

32

Spices, including all preparations thereof, including sauces and prepared condiments, chutney, tomato pulp and pickles

33.01

Dog and cat food in any form

51

Non-spirituos preparations; ale and other beer, porter, cider and perry, n.e.i. lime-juices and other fruit juices, n.e.i., for compounding non-alcoholic beverages and fruit cordials

52

Powders and flavourings, n.e.i., for compounding non-alcoholic beverages

53.01

Wine, grape, sparkling

53.02

Wine, other than sparkling, containing less than 16 per cent by volume of alcohol

53.03

Wine, grape, still, including medicated wine and vermouth

53.04

Grape, unfermented

53.05

Other than grape, n.e.i., including Sake and Samshu:

53.05.1

when not exceeding strength of proof

53.05.2

when exceeding the strength of proof

54

Wines, which the person vested with the control of management of a Christian Mission in the Territory declares to be intended for use by the Mission for Sacramental purposes only

55

Aerated and mineral waters

60

Ale and other beer, porter, cider and perry, spirituous in bottle or in bulk

61

Spirits and spirituous liquors, containing not more than 57 per cent by volume of alcohol

62

Spirits and spirituous liquors, containing more than 57 per cent by volume of alcohol

70

Tobacco, unmanufactured

71

Cigars and cheroots, including the weight of ribbons and band

72

Cigarettes, including weight of cards and mouthpieces contained in inside packages

73

Tobacco, trade (in sticks or figs)

74

Tobacco, manufactured for human consumption (smoking, chewing or snuff). Including the weight of tags, labels and other attachments

80

Wood, in the round or roughly squared including pulpwood, sawlogs, shaped or simply worked. Lumber, sawn, planed, grooved, tongued, etc

81

Cork, raw and waste (including natural cork in blocks and sheets)

82

Pulp and waste papers (not including newspapers for wrapping purposes)

88

Crude animal material, inedible, n.e.i., including unworked or simply prepared sea shells, bones, ivory, bristles, hair and the like, hides and skins

89

Crude vegetable material consisting of unworked or simply prepared bamboo and cane

100

Petroleum, crude and partly refined for further refining (including natural gasoline

101

Aviation gasoline and aviation turbine kerosene

102

Motor spirit, including gasoline petrol and any other petroleum or shale spirit, n.e.i., for similar use

103

Kerosene, n.e.i., including power, lighting, illuminating oil and the like

104

White spirit, including benzolene, pentane, mineral naphta, mineral spirits, turpentine substitutes and mineral solvents

105

Gas oil, diesel oil and other fuel oils, including residual and solar oils

106

Oils, lubricating, including mixtures with animal and vegetable lubricants, inedible, n.e.i.

107

Greases, lubricating of all types

116

Ethyl alcohol, denatured or not, including methyl chloride and refrigerant gases, spirits of turpentine, other than mineral turpentine and alcohols, n.e.i.

117

Chemical elements and compounds, inorganic or organic, n.e.i.

123

Pigments, paints, varnishes and related materials being prepared paints, enamels, lacquers, varnishes, artists colours, siccatives (paint driers) and mastics and all other pigments and colouring materials, n.e.i., putty, distempers and the like

131

Spirituos preparations (non-medicinal), viz: essences, fruit and other esters, aromas and flavours, fluid extracts, sarsaparilla, tinctures, infusions, lime-juice and other fruit juices and fruit syrups:

131.01

containing not more than 14.25 per cent by volume of alcohol

131.02

containing more than 14.25 per cent but not more than 57 per cent by volume of alcohol

131.03

containing more than 57 per cent by volume of alcohol

134

Perfumery, cosmetics, soaps and cleansing and polishing preparations viz:

134.01

perfumes, whether spirituous or aqueous

136

Cosmetics and toilet preparations, n.e.i., including shaving soap, bath salts, perfumed soap crystals and the like

137

Dentifrices, dental fixative powders and the like

Ex 138

Soap, toilet, fancy or medicated, soap, n.e.i., including laundry

139

Waxes, polishes and paste, powder and liquid cleansers and similar preparations, n.e.i. (not including any type of vehicular polish)

140

Vehicular polish and dressing of the type used for leather, furniture, floor

150

Ammunition of all types

151

Fireworks

154

Plastic material in liquid, powder, blocks, sheets, rods, tubes and other primary forms, n.e.i.

156

Glue, and glue components, viz: casein, albumen, gelatine and preparations thereof, n.e.i.

157

Chemical materials and products, n.e.i., including brake fluid

170

Leather of all kinds, including reconstituted, artificial or composition

172

Manufactures of leather, n.e.i.

174

Rubber fabricated materials, n.e.i., including pastes, plates, sheets, rods, threads and the like

177

Rubber tyres and tubes: for vehicles, n.e.i.

178

Rubber manufactures: consisting of bedding

179

Rubber manufactures, whether of soft or hard rubber, n.e.i.

180

Crude rubber (including synthetic) and reclaimed and waste and scrap of unmanufactured rubber, except waste of hardened rubber

190

Wood manufactures, including plywood, veneers, artificial or reconstituted wood in sheets, blocks or boards, n.e.i.

191

Wood manufactures consisting of household utensils

192

Wood manufactures, n.e.i., including boxes, cases, crates and parts thereof; casks and cooperage products, builders woodwork and the like and excluding fancy goods

194

Cork and agglomerated cork manufactures, n.e.i.

195

Paper and paper manufactures, viz:

195.01

printing, in rolls not less than 10 in. in width or in sheets not less than 16 1/2 in. x 21 in., or its equivalent, which is imported solely for printing purposes and declared to be imported solely for such purposes

197

Cigarette paper, in bulk rolls or sheets

198

Paper stationery of all kinds, including envelopes, writing, typewriting, duplicating papers and the like, albums (other than fancy), diaries, account and exercise books, filing boxes and the like Blotting paper in bulk rolls or sheets; filter paper and blocks in bulk rolls, sheets, blocks or slabs

199

Cigarette papers cut to size, in books or packets of 60 papers or the equivalent of 60 papers

200

Playing cards

201

Manufactured articles of papers, paper pulp and paperboard, n.e.i.

202

Paper bags, whether printed or unprinted

211

Cotton textile, including canvas and fabrics of mixed materials of which cotton is the chief component by weight. Textile fabrics, n.e.i., including silk, wool, jute, synthetic fibres, spun glass, fabrics of regenerated or partly regenerated cellulose, protein and similar fibres, including rayon, nylon and artificial silk

212

Lace, including tulle, embroidery ribbons, trimmings, net and netting and the like

214

Manufactures of rope, cordage and twine

217

Textile products, n.e.i., including felts, n.e.i., elastics, webbing and the like

218

Articles made wholly or chiefly of textile materials (excluding apparel and attire), viz:

218.02

Tarpaulins, tents, awnings, sails and made-up canvas articles, n.e.i.

218.03

bed-linen, table-linen, toilet-linen and kitchen-linen, made up curtains, draperies and made up household articles of textiles, n.e.i.

218.05

bunting

230

Floor coverings of all materials including carpets, linoleum, matting and mats, floor rugs and the like

231

Tiles, plastic, rubber or linoleum

232

Tapestry

234

Cement pipes

238

Asbestos manufactures, n.e.i., including yarn thread, cord jointing packing and the like.  
Non-metallic mineral manufactures, n.e.i., and articles of ceramic materials, n.e.i.,  
excluding building materials

250

Glassware manufactures for household, hotel and restaurant use

251

Glassware manufactures, n.e.i.

252

Pottery, crockery and kitchenware including jugs, jars and articles of ordinary baked clay,  
stoneware, earthenware, chinaware, porcelainware and the like, consisting of household  
utensils

253

Pottery, n.e.i.

260

Gold, silver and platinum dental and medical unworked or partly worked

261

Precious metals, n.e.i., worked or unworked

262

Precious and semi-precious stones and pearls unworked or worked

263

Jewellery and goldsmiths' and silversmiths' wares, including set gems

264

Imitation jewellery

273.01

Castings and forgings, n.e.i., consisting of nestible corrugated steel pipes and arches

277

Wire rope or iron and steel, or non-ferrous metals, including slings and similar articles

278

Wire fencing consisting of barbed wire

280

Nails, steel wire other than:

(a) Galvanized steel wire nails;

(b) tacks, brads, panel pins; or

(c) hardboard and wallboard nails, whether of bright steel wire or plated wire or  
being 16-gauge and finer

283

Firearms being rifles, revolvers, guns and pistols, including air-guns, air-pistols and the like

290

Household or domestic utensils of metal whether enamelled or tinned and of synthetic materials, including cutlery being household domestic cutlery whether plated or not

291

Cutlery, n.e.i., including scissors, razors (except electric), hand operated clippers and the like

295.01

Manufactures of metal being welded fabrics

296

Manufactures of metals, n.e.i.

297

Drums, commonly known as "4-gallon" or "44-gallon" drums, being:

- (a) empty drums; or
- (b) drums containing:
  - (i) motor spirit; or
  - (ii) kerosene,

not being containers within the meaning of Item 493

303

Marine engines, viz:

303.01

Outboard engines including parts and accessories

303.02

Inboard engines and inb/outb engines including parts and accessories, viz:

303.02.01

up to and including 30 H.P.

305

Parts for all types of marine engines

306

Motor vehicle and motor cycles engines and parts therefor

308

Agricultural machinery consisting of lawn mowers, hand or power operated and parts therefor

311

Office machinery and fashioned parts, including typewriters, accounting, bookkeeping, calculating and statistical machines, cash registers, dictaphones, micro-film readers and the like

314

Air conditioners and parts therefor and air conditioning equipment

315

Deep freezers and refrigerators, n.e.i. and parts for all types of deep freezers and refrigerators

316

Refrigerating machinery, equipment and parts

317

Sewing machines, domestic

318

Weighing machines

321

Component parts of batteries and accumulators, viz:

321.02

n.e.i.

322

Batteries and accumulators of all kinds when imported assembled

323

Incandescent lamps, arc lamps, tubes and the like for electric lighting

324

Portable transistorised radio receiving sets, not exceeding \$20 f.o.b. in value

325

Portable transistorised radio receiving sets, n.e.i.

326

Radio or television receiving sets, including those with record players and/or tape recorders attached, parts and accessories

328

Portable electric appliances, including domestic appliances, n.e.i., domestic vacuum cleaners, washing machines, floor polishers, hair clippers, shavers, food mixers and the like

330

Electric fans

341

Road motor vehicles, viz:

341.01

passenger type (including motor cars, station wagons and panel vans)

341.02

utility trucks (including jeep and land rover types) and the like

341.03

motor cycles, motor scooters, trail bikes including engines, parts and accessories thereof

341.04

trucks, trailers and the like

341.05

omnibuses, minibuses and the like

341.06

n.e.i.

344

Fashioned parts and accessories for motor vehicles, n.e.i., including seat covers of all materials

345.02

Tricycles and other cycles not motorised, including fashioned parts and accessories

347

Road vehicles other than motor vehicles, n.e.i., and fashioned parts

349

Ships and boats not exceeding 9.15 metres in length and vessels designed specifically for pleasure purposes (including hulls thereof not completely fitted out)

360

Prefabricated buildings being dwellings, ware-houses and structures of similar nature and their assembled panels and parts, viz:

360.02

n.e.i. including wooden

364

Lamps, lanterns and torches, including lamp shades and light shades consisting of household utensils

365

Lamps and lightning fixtures, n.e.i., including street lamps, street lamp posts fitted with electric parts and the like

366

Furniture and fixtures, whether or not prefabricated, viz:

366.02

household type, of wood or cane

366.03

blinds of all kinds

366.04

n.e.i.

370

Mattresses, pillows and cushions, n.e.i.

380

Travel goods of all materials, n.e.i., including trunks, suitcases, shopping and handbags and the like

381

Bags, sporting

382

Evening bags, wallets, purses, writing cases, toilet cases and the like

383

Apparel and attire, n.e.i., including outer garments, underwear and night wear of all kinds

384

Footwear, viz:

384.01

plastic and rubber thongs

384.02

other footwear and gaiters, leggings and puttees of all materials

391

Binoculars, opera glasses, telescopes and the like

392

Spectacles, n.e.i., including goggles, sun glasses and the like

393

Projectors and cinematographs, parts and accessories therefor of all kinds including sound equipment where applicable and projection screens

394

Cameras and fashioned parts thereof. Camera accessories of all kinds, including tripods, lightmeters, filters, flashlight outfits and the like and photographic material of all kinds

395

Photographic and cinematographic films unexposed for use in cameras

396

Chemical products for use in photography as put up for resale

399

Films, n.e.i., imported for exhibition and subsequent re-export

400

Chronometers, clocks and watches including pedometers, pocket counters, instrument panel clocks and the like and parts therefor

401

Tape recorders and parts and accessories excluding tapes

402

Sound recording tapes and wires

403

Phonographs and parts and accessories, excluding records

404

Pianos, parts and accessories

405

Musical instruments, parts and accessories, n.e.i.

406

Gramophone records, n.e.i.

410.02

Printed matter, n.e.i., including postcards, wedding cards, greeting cards and the like

412

Candles, tapers and the like

413

Matches and vestas

415

Deep freezers and refrigerators, domestic, whether paraffin, electrically or gas operated, imported assembled

430

Fancy goods of all materials, including articles used for ornamental purposes or partly for use and partly for ornament

440

Games, outdoor, n.e.i., and all articles used therefor, including fishing requisites and other sports goods, n.e.i. and toys and indoor games designed primarily for children

450

Office supplies other than paper, including fountain pens, ball point pens, pencils, ink, nibs, crayons, pencil sharpeners and the like

452

Umbrellas, parasols, walking sticks and similar articles

453

Smokers' accessories (ash trays, pipes, cigarette holders and cigarette lighters, etc)

470

Manufactured articles, n.e.i.

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#### SCHEDULE D

Papua New Guinea

Tariff Item

Description of goods

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#### AGREED MINUTES

During the course of negotiations between delegations of Papua New Guinea and Australia for the Agreement on Trade and Commercial Relations between the Government of Australia and the Government of Papua New Guinea the following understandings regarding the interpretation and operation of the Agreement were reached:

1. In view of the administrative and other difficulties in raising revenue in Papua New Guinea in its present stage of development, nothing in Article 3 shall preclude the Papua New Guinea Government from imposing, for revenue purposes, import and export taxes

at rates which are not such as to be actually restrictive of commerce. The existing rates of the export taxes levied under the Customs (Export) Tariff and the import taxes levied under the Imports (General Levy) Act and any reasonable variations of those rates are not regarded as being actually restrictive of commerce.

2. Nothing in Article 3 will preclude either Government from taking measures:
  - (a) to regulate the pricing and supply of mineral and energy products exported from one Member State to the other; or
  - (b) to impose export controls over primary products exported from one Member State to the other, provided that such measures are consistent with the other international rights and obligations of the exporting Member State. However, in cases where one Member State is dependent upon the other for the supply of essential foodstuffs, the exporting Member State will, in the imposition and administration of controls, not unduly prejudice the welfare of the inhabitants of the importing Member State.
3. Nothing in the Agreement will preclude the Australian Government from continuing to treat sugar, golden syrup and treacle as prohibited imports into Australia.
4. If as a result of the operation of Article 3 of the Agreement goods specified in the attachment to these Agreed Minutes are being imported into Australia from Papua New Guinea in such quantities or under such conditions as to cause or threaten serious injury to an industry producing like or directly competitive goods, the Australian Government may, as an alternative to taking action under Article 9 of the Agreement, vary Schedule A to the Agreement by the listing therein of the goods concerned, and the Papua New Guinea Government will be deemed to have consented to that variation.
5. With regard to the provisions of Article 9, and to paragraph 4 of these Agreed Minutes, the following procedures will be applied by the Australian Government. The Australian Government will not suspend obligations pursuant to Article 9 of the Agreement, or list in Schedule A goods specified in the attachment referred to in paragraph 4 above until it has:
  - (i) commissioned an official Inquiry, pursuant to the appropriate Australian legislation, into the alleged injury or threat of injury,
  - (ii) notified the Government of Papua New Guinea of the terms of the Inquiry, and
  - (iii) allowed a reasonable period of time having regard to the circumstances applying in each particular case, and in the case of Article 9 action, 60 days, for the Government of Papua New Guinea to make representations to the Inquiry, or to the Australian Government or to both.

The foregoing provisions do not preclude the possibility of mutual agreement being reached by the two Governments in specific instances without official inquiry, nor will

they apply where they would result in action inconsistent with Australia's other international obligations, or if a state of economic emergency exists in Australia.

6. The phrase "multilateral international commodity agreement or arrangement" in Articles 7.2(d) and 8(h) of the Agreement includes the GATT Arrangement regarding International Trade in Textiles of 20 December 1973.

7. It will be consistent with the Agreement for the Papua New Guinea Government to engage in, or regulate, selective purchasing of goods through an exclusive licensing scheme or similar arrangements for the purposes of obtaining advantageous terms for the long term supply of essential commodities, or rationalising the importation and use of vehicles and other equipment by standardisation, provided that the Agreement shall not be interpreted as authorising any such action which would be inconsistent with the obligations of a contracting party to the GATT.

8. Without implying that such incentives might not be granted as a matter of discretion, nothing in the Agreement shall require either Government to provide incentives to investment through any measures involving income taxation arrangements.

9. The provisions of Article 22 of the Agreement relating to consultation procedures apply to consultations on any problems which may arise in relation to Australian investment in Papua New Guinea.

10. (i) Nothing in Article 3 will preclude (a) Australia from imposing quantitative import restrictions on Schedule A goods or (b) Papua New Guinea from imposing quantitative import restrictions on Schedule C goods, provided that in each case such restrictions are consistent with the importing Member State's other international rights and obligations.

(ii) Prior to taking action under sub-paragraph (i) of this paragraph, unless critical circumstances prevail in which delay would cause damage which would be difficult to repair, the importing Member State shall inform the other Member State of the proposed action in order to provide the other Member State with the opportunity to consult with the importing Member State under the provisions of Article 22. It is recognised that the importing Member State may find it necessary in certain circumstances to take action before any consultations under Article 22 have commenced or have been completed.

FOR THE GOVERNMENT OF      FOR THE GOVERNMENT OF

AUSTRALIA:      PAPUA NEW GUINEA:

[Signed:]      [Signed:]

JOHN HOWARD      MAORI KIKI

6th November 1976

Port Moresby

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ATTACHMENT TO AGREED MINUTES

Australian

Tariff Item

Brief description of goods

07.02.200

Mushrooms

09.10.100

Green ginger, not in liquid

09.10.200

Ginger, dry, unground

09.10.300

Ginger, dry, unground. NSA

12.01.100

Peanuts

13.03.300

Gingerin

Ex 15.07.190

Coconut oil, palm oil, palm kernel oil

15.07.200

Olive oil

Ex 15.07.300

Maize, soya bean, rapeseed oils

15.07.900

Other oil

15.08.100

Epoxidised vegetable oil

15.08.200

Linseed oil and rapeseed oil

15.08.300

Safflower seed and soya bean oil not falling within 15.08.1

15.13.1  
Margarine and similar butter substitutes

15.13.9  
Other prepared edible fats

17.04.9  
Other sugar confectionery

20.01  
Vegetables and fruit prepared or preserved by vinegar

20.02.5  
Asparagus tips

20.02.6  
Vegetables, NSA

20.02.9  
Other prepared/preserved vegetables

20.05  
Jams, jellies, etc

20.07.200  
Citrus fruit juices, NSA - not including lime juice

20.07.400}  
Fruit juices, NSA

20.07.500}

21.07.900  
Food preparations, NSA

24.02.400  
Tobacco, manufactured

27.09.900  
Petroleum oils, etc

27.10.900  
Phosphoric acid

28.17.100  
Sodium hydroxide

28.56.100  
Calcium carbide

29.14.300  
Vinyl acetate

38.11.200  
Insecticides, etc

38.11.400  
Disinfectants, insecticides, etc

39.01.110  
Adhesives

39.01.120  
Condensation, etc products

39.01.131  
Silicone grease

39.01.132  
Silicone fluids

39.01.139  
Other silicone goods

39.01.140  
Unsaturated polyester type

39.01.151  
Polymers of ethylene

39.01.152  
Polyols, etc

39.01.210  
Laminated sheets

39.01.311}

39.01.319}  
Coated planar forms

39.01.320}

39.01.410  
Silicone planar forms, etc

39.01.490  
Profile shapes

39.01.500  
Polyester planar forms

39.01.600  
Profile shapes, polyamide, etc

39.01.700  
Planar forms, polyurethane

39.02.100  
Adhesives

39.02.120  
Polyethylene goods

39.02.130  
Other polymerisation, etc. goods

39.02.140  
Acrylics

39.02.160  
Polypropylene goods

39.02.210  
Floor and wall coverings

38.02.311}

39.02.319}  
Supported sheet

39.02.320}

39.02.400  
Planar forms - vinyl

39.02.520  
Planar forms

39.02.610  
Planar forms - ethylene

39.02.690

Other

39.02.710

Styrene - planar forms

39.02.720

Styrene - profile shapes

39.02.800

Acrylic - planar forms and profile shapes

39.03.110

Cellulose, etc - adhesives

39.03.120

Cellulose moulding compounds

39.03.140

Cellulose nitrate goods

39.03.160

Hydroxyethyl - cellulose goods

39.03.210

Laminated sheets

39.03.311}

39.03.319}

Coated forms

39.03.320}

39.03.400

Profile shapes

39.03.500

Planar forms

Natural resins, etc

39.05.100

Adhesives

39.05.200

Ester gums

Other high polymers, etc

39.06.100

Starches

39.06.200

Alginic acid, etc

Goods of plastic, etc

39.07.190

Goods as prescribed

39.07.210

Bags

39.07.290

Floor coverings, wall tiles

39.07.310

Other

40.02.400

Synthetic rubber

40.05.400

Goods of synthetic rubber

40.06.700

Goods and articles of synthetic rubber NSA

40.11.200}

Motor vehicles tyres

40.11.900}

42.03.300

Leather coats, jackets, overcoats

48.01.910

Paper, etc - tissues

48.01.921}

Paper, etc - substance 22 to 205 gsm

48.01.929}

48.04.900

Other paper

48.05.900

Other wrapping

48.07.620  
Paper and paper-board

48.07.630  
Wrapping paper NEI

48.07.690  
Pressure-sensitive paper

48.07.720  
Wrapping paper

Chapter 49  
Products of the printing industry

50.09.100  
Silk fabric containing not less than 20 per cent by weight of wool

50.09.200  
Printed silk fabrics

50.10.100  
Printed noil silk fabrics

53.06  
Woollen yarn

53.07  
Worsted yarn

53.11  
Woven fabrics of sheep's or lambs' wool

55.06  
Mercerised cotton yarn for retain sale

59.02  
Felt and articles of felt

59.06  
Boot laces, pyjama girdling, etc

61.05  
Handkerchiefs

62.01  
Travelling rugs and blankets

62.04  
Tarpaulins, sails, tents, etc

65.02}

65.03}  
Hats and headgear

65.04}

66.01  
Umbrellas

69.07.900  
Floor and wall tiles

69.08.900  
Floor and wall tiles

73.24.910  
Containers for compressed or liquefied gas

74.01.100  
Unalloyed copper; matte

74.03.200}

74.04.900}

74.05.900}

74.05.100}

74.07.900}

74.08.000}

74.09.000}  
Copper and copper based products

74.10.900}

74.12.000}

74.14.000}

74.15.000}

74.16.000}

74.18.100}

74.18.200}

75.01

Nickel, unwrought

Chapter 76

Aluminium and articles thereof

84.06.2

Engines for use as original equipment components in the assembly or manufacture of vehicles

84.11.200}

84.11.310}

Compressors for refrigerators

84.11.390}

84.12.000

Air conditioners

84.15.100

Refrigerating equipment

84.15.2

Refrigerators and freezers

84.15.900

Refrigerating equipment and parts

84.40.211}

84.40.219}

84.40.221}

Laundry machines

84.40.229}

84.40.290}

84.62

Ball roller or needle roller bearings

84.63

Transmission shaft, cranks, bearing housings, etc

84.64

Gaskets

85.01.110

Electric motors and generators

85.01.120

Electric motors and generators

85.01.130}

Electric motors

85.01.140}

85.01.150}

Electric generators

85.01.190}

85.01.310

Rectifying assemblies

85.03.900

Batteries

85.06.900

Domestic electrical appliances

85.08

Electrical starting and ignition equipment

85.09

Electrical lighting and signalling equipment for motor vehicles

85.15

Radios, televisions and parts

85.18

Capacitors

85.19.200}

Relays, etc

85.19.300}

85.19.440

Switchgear

85.19.450

Electrical jacks

85.19.460

Valve sockets

85.19.470

Electric apparatus as specified

85.19.490

Fuses, nei connectors, etc

85.19.500

Resistors

85.19.600

Resistors and printed circuits

85.19.900

Resistors, motor starters, etc. nei

85.21.100

Cathode ray tubes

85.21.900

Cathode ray tubes and other parts

85.23.920

Telephone cable

87.02.110

Assembled passenger vehicles

87.02.120

Unassembled passenger vehicles

87.02.210

Assembled cars and station wagons

87.02.220}

87.02.231}

Unassembled cars and station wagons

87.02.239}

87.02.310  
Unassembled vehicles

87.04.110}  
Chassis for motor vehicles

87.04.190}

87.05.210}  
Bodies for motor vehicles

87.05.290}

87.06.510}  
Original equipment components

87.06.590}

87.06.900  
Components - original equipment and other

89.01.900  
Vessels under 150 tons gross register

89.02.900  
Vessels not exceeding 150 tons gross register especially designed for towing (including tugs) or pushing other vessels

89.03.900  
Floating dredges, cranes, etc. not exceeding 150 tons gross register

89.05.000  
Other floating structures - other than vessels

90.09.100  
Slide projectors

93.07.100  
Sporting ammunition

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[Letter from the Minister for Business and Consumer Affairs of Australia to the Minister for Foreign Affairs and Trade of Papua New Guinea]

I

Minister for Business and Consumer Affairs  
Parliament House  
Canberra 2600  
6 November 1976  
Sir Maori Kiki, KBE, MP  
Minister for Foreign Affairs and Trade  
House of Parliament  
Port Moresby  
PAPUA NEW GUINEA

My dear Minister

I refer to recent discussions between our two Governments on the operation of the new rules of origin in Article 4 of the Agreement on Trade and Commercial Relations between the Government of Australia and the Government of Papua New Guinea signed today.

With respect to these new rules, I wish to inform you that the Government of Australia envisages the new origin rules as working in basically the same way as the present rules. This is so because the underlying concept, that of the value of country content as a proportion of factory cost, is the same for both sets of rules.

The elements that go to make up the value of country content must, of course, be the same as those which go to make up factory cost. In Australia these elements have been given a precise meaning under Ministerial determinations in respect of factory or works costs (attached Appendix A) and value of labour and materials attached Appendix B).

In the great majority of cases, a declaration by the exporter as to the proportion of country content is sufficient evidence for goods to gain preferential treatment. But such documentary evidence has always been subject to check where considered necessary; in the United Kingdom and Canada, for example, Australian Customs representatives regularly interview manufacturers and examine costing details. As trade develops between Papua New Guinea and Australia such checks would no doubt strengthen each Member State's administration of the origin rules.

The provision in the new rules to treat particular goods or classes of goods as originating in a Member State introduces a desirable flexibility. It allows a simple basic rule, the one-half rule, to operate without disadvantaging goods which do not meet the conditions of the rule but in respect of which it might be desirable to accord preferential treatment.

It also allows the present wholly manufactured concept to be dispensed with (ie. the concept that all processes must be performed in the country). Most, if not all, goods manufactured in the Area would probably meet the one-half country content rule if they initially met the wholly manufactured rule. If the one-half rule was not met, but it was considered desirable that preferential treatment be given, the Member States could decide to allow such treatment.

I suggest that a manufacturer in a Member State who wishes to have his goods treated pursuant to paragraph 2 of Article 4 as originating in that Member State should put his case to the appropriate authority in his country. If no reason existed to do otherwise, a request would be cleared and advice of the clearance sent to the appropriate authority in the other Member State with a request for a clearance from that Member State. An exchange of clearances would constitute agreement under the provisions of the new rules. In Australia such agreements would be formalised by Ministerial determination and details would be notified in the Australian Government Gazette.

I also wish to inform you that Australia will apply the rules of origin provisions of Article 4 of the Agreement to all importations from Papua New Guinea, with the exception of those goods imported pursuant to the Australian System of Tariff Preferences for Developing Countries.

If the foregoing is acceptable to your Government, I propose that this letter, together with your confirmatory reply, should constitute the understandings of our two Governments in the matter.

Yours sincerely

[Signed:]

JOHN HOWARD

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#### APPENDIX A

##### FACTORY OR WORKS COST

The factory or works cost of goods shall be determined by taking the sum of the following:

- (a) the cost of materials as received into factory, but not including any duties or other taxes paid or payable in the country of manufacture of the goods in respect of such materials;
- (b) manufacturing wages;
- (c) factory overhead expenses; and
- (d) inside containers.

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#### APPENDIX B

##### VALUE OF LABOUR AND MATERIALS

The value of labour and materials shall be determined by taking the sum of the following:

(a) (i) In the case of materials wholly produced or manufactured in the country or in Australia or in the country and in Australia - the cost of those materials but not including any duties or other taxes paid or payable in the country of manufacture of the goods in respect of such materials.

(ii) in the case of materials partly manufactured in the country or in the country and Australia - the proportion of the cost of manufacture of those materials incurred in the country or in the country and in Australia but not including any duties or other taxes paid or payable in the country of manufacture of the goods in respect of such materials.

(b) manufacturing wages;

(c) factory overhead expenses; and

(d) inside containers of the manufacture of the country or of Australia.

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[Letter from the Minister for Foreign Affairs and Trade of Papua New Guinea to the Minister for Business and Consumer Affairs of Australia]

II

Minister for Foreign Affairs and Trade  
Papua New Guinea  
Central Government Offices  
Waigani  
6 November 1976  
The Hon J W Howard MP  
Minister for Business and Consumer Affairs  
Parliament House  
CANBERRA ACT 2600

My dear Minister

I acknowledge receipt of your letter of today's date on the subject of the operation of new rules of origin in Article 4 of the Agreement on Trade and Commercial Relations between the Government of Australia and the Government of Papua New Guinea signed today.

The text of that letter reads as follows:

[Here follows text as printed under I.]

I wish to confirm that the Government of Papua New Guinea shares the understandings set out in your letter and that your letter together with this reply will constitute the understandings of our two Governments in the matter.

Yours sincerely

[Signed:]

MAORI KIKI

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[Letter from the Minister for Business and Consumer Affairs of Australia to the Minister for Foreign Affairs and Trade of Papua New Guinea]

III

Minister for Business and Consumer Affairs  
Parliament House  
Canberra 2600  
6 November 1976  
Sir Maori Kiki, KBE, MP  
Minister for Foreign Affairs and Trade  
House of Parliament  
Port Moresby  
PAPUA NEW GUINEA

My dear Minister

With regard to the co-operation that is envisaged in the Agreement on Trade and Commercial Relations between the Government of Australia and the Government of Papua New Guinea signed today, I wish to place on record the understandings of the Government of Australia that:

- (1) where practicable, Australia will keep Papua New Guinea informed of issues arising, and supply documentation, from international meetings at which Papua New Guinea is not represented;
- (2) Australia will assist with Papua New Guinea representation at international meetings by way of secondment of officers from Australia, where appropriate and feasible; and
- (3) Australia, at the request of Papua New Guinea, will:
  - (a) provide appropriate information, documentation and advice on matters concerning Papua New Guinea's trade interests;

(b) make available to Papua New Guinea through its Department of Foreign Affairs and Trade the facilities of the Australian Trade Commissioner Service for a period to be determined by mutual consent; and

(c) provide training for Papua New Guinea officials in trade policy and promotion.

If the foregoing is acceptable to your Government, I propose that this letter together with your confirmatory reply should constitute the understandings of our two Governments in the matter.

Yours sincerely

[Signed:]

JOHN HOWARD

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[Letter from the Minister for Foreign Affairs and Trade of Papua New Guinea to the Minister for Business and Consumer Affairs of Australia]

IV

Minister for Foreign Affairs and Trade  
Papua New Guinea  
Central Government Offices  
Waigani  
6 November 1976  
The Hon J W Howard MP  
Minister for Business and Consumer Affairs  
Parliament House  
CANBERRA ACT 2600

My dear Minister

I acknowledge receipt of your letter of today's date on certain forms of co-operation between our two Governments.

The text of that letter reads as follows:

[Here follows text as printed under III.]

I wish to confirm that the Government of Papua New Guinea shares the understandings set out in your letter and that your letter together with this reply will constitute the understandings of our two Governments in the matter.

Yours sincerely

[Signed:]

MAORI KIKI

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[Letter from the Minister for Business and Consumer Affairs of Australia to the Minister for Foreign Affairs and Trade of Papua New Guinea]

V

Minister for Business and Consumer Affairs  
Parliament House  
Canberra 2600  
6 November 1976  
Sir Maori Kiki, KBE, MP  
Minister for Foreign Affairs and Trade  
House of Parliament  
Port Moresby  
PAPUA NEW GUINEA

My dear Minister

In relation to paragraph 2 of Article 14 of the Agreement on Trade and Commercial Relations between the Government of Australia and the Government of Papua New Guinea signed today, I wish to place on record the following forms of investment encouragement which the Government of Australia may provide in appropriate circumstances to Australian enterprises wishing to invest directly in Papua New Guinea. The following list describes measures which are currently part of the policy of the Government of Australia on the encouragement of direct investment by Australian enterprises in developing countries and may be subject to variation from time to time.

The Government of Australia will inter alia:

- (1) provide investment insurance cover through the Australian Export Finance Insurance Corporation;
- (2) disseminate information to potential Australian investors concerning investment opportunities in Papua New Guinea;
- (3) assist investors through facilities of the Trade Commissioner Service.

If the foregoing is acceptable to your Government, I propose that this letter together with your confirmatory reply should constitute the understandings of our two Governments in the matter.

Yours sincerely

[Signed:]

JOHN HOWARD

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[Letter from the Minister for Foreign Affairs and Trade of Papua New Guinea to the  
Minister for Business and Consumer Affairs of Australia.]

VI

Minister for Foreign Affairs and Trade  
Papua New Guinea  
Central Government Offices  
Waigani  
6 November 1976  
The Hon J W Howard MP  
Minister for Business and Consumer Affairs  
Parliament House  
CANBERRA ACT 2600

My dear Minister

I acknowledge receipt of your letter of today's date regarding the interpretation of paragraph 2 of Article 14 of the Agreement on Trade and Commercial Relations between the Government of Australia and the Government of Papua New Guinea signed today.

The text of that letter reads as follows:

[Here follows text as printed under V.]

I wish to confirm that the Government of Papua New Guinea shares the understanding set out in your letter and that your letter, together with this reply, will constitute the understandings of our two Governments in the matter.

Yours sincerely

[Signed:]

MAORI KIKI

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[Letter from the Minister for Foreign Affairs and Trade of Papua New Guinea to the  
Minister for Business and Consumer Affairs of Australia]

VII

Minister for Foreign Affairs and Trade  
Papua New Guinea  
Central Government Offices  
Waigani  
6 November 1976  
The Hon J W Howard MP  
Minister for Business and Consumer Affairs  
Parliament House  
CANBERRA

My dear Minister

I wish to place on record the understanding of the Government of Papua New Guinea with regard to paragraph 4 of Article 14 of the Agreement on Trade and Commercial Relations between the Government of Australia and the Government of Papua New Guinea signed today.

It is the understanding of the Government of Papua New Guinea that the assurance given in that paragraph will be interpreted in the light of the approved policies of the Government on foreign investment, the relevant elements of which are:

(1) Papua New Guinea, as part of its development strategy, proposes to treat each investment proposal on its merits, within the context of the overall development strategy and policy guidelines. The evaluation of proposals on a case-by-case basis is necessary, even for projects in the same business activity, as they may differ in such respects as size, employment, local content or location. This is particularly important where it may be necessary to limit the number of projects because of, say, market size.

(2) the terms and conditions, of any incentives attached to a project, may vary from that of another project in the same business activity because of the above factors. More favourable treatment, possibly in the form of incentives, may be offered to a project on the basis of some established need, such as decentralization. Such differentiation is on the basis of the characteristics of the project itself, rather than on any element of nationality.

(3) Also, where new investment in a specific industry is being promoted alongside existing investments in the same industry, it may be determined that additional benefits should be offered to encourage new investment. The same benefits would not be offered to the existing enterprise, although the owners of the existing enterprise would not necessarily be barred from competing for the right to participate in the new project and to enjoy the special benefits being offered in respect of that new project. In offering such incentives Papua New Guinea would be mindful of the desirability of avoiding serious damage to existing industries.

If the foregoing is acceptable to your Government, I propose that this letter together with your confirmatory reply should constitute the understandings of our two Governments in the matter.

Yours sincerely

[Signed:]

MAORI KIKI

-----  
[Letter from the Minister for Business and Consumer Affairs of Australia to the Minister for Foreign Affairs and Trade of Papua New Guinea]

VIII

Minister for Business and Consumer Affairs  
Parliament House  
Canberra 2600  
6 November 1976  
Sir Maori Kiki, KBE, MP  
Minister for Foreign Affairs and Trade  
House of Parliament  
Port Moresby  
PAPUA NEW GUINEA

My dear Minister

I acknowledge receipt of your letter of today's date regarding the interpretation of paragraph 4 of Article 14 of the Agreement on Trade and Commercial Relations between the Government of Australia and the Government of Papua New Guinea signed today.

The text of that letter reads as follows:

[Here follows text as printed under VII.]

I wish to confirm that the Government of Australia shares the understandings set out in your letter and that your letter together with this reply will constitute the understandings of our two Governments in the matter.

Yours sincerely

[Signed:]

JOHN HOWARD

[1] Notes to this effect were exchanged 21 January-1 February 1977. The Agreement entered into force on 1 February 1977.