

ANNEX IV

Cottage Industry Products

1. The exemption provided for in Article 7 in respect of cottage industry products shall apply only to the following products:
  - a) handloom textile fabrics, containing not more than 5% by weight of man-made fibres, being fabrics woven on looms operated solely by hand or foot and of a kind traditionally made in the cottage industry;
  - b) garments or other textile articles, of a kind traditionally made in the cottage industry, having been cut, sewn and embroidered if applicable solely by hand from handloom textile fabrics as described above without the aid of any machine;
  - c) traditional folklore and handicraft textile products made by hand in the cottage industry described in the list attached to this Annex.
2. The exemption shall apply only in respect of products covered by a certificate issued by the competent Philippine authorities conforming to the specimen in Annex V. Such certificates shall indicate the grounds on which exemption is based.
3. Additional items may be subsequently added to the list by mutual agreement.

PHILIPPINE TRADITIONAL FOLKLORE  
AND  
HANDICRAFT TEXTILE PRODUCTS

The following are traditional Philippine products of the cottage industry under Annex IV, sec. 1(c) of the Agreement:

1. Batik and Hablon fabrics — hand woven fabrics of the cottage industry.
2. Banaue and Muslim cloth — traditional handloom fabrics in multicolors.
3. Other hand-woven and handloom fabrics of the cottage industry and textile articles made of handloom fabrics.
4. Garments made from hand woven and handloom fabrics which involve ethnic designs or are heavily crocheted or hand-embroidered.
5. Hand-crocheted and hand-embroidered garments, shawls, hats and accessories, including the "catsa group" type garments (heavily hand-crocheted and hand-embroidered work in combination with coarse greige or dyed cotton fabric of batik fabric).
6. National Costumes.
7. Hand-plied or braided and hand-tied macrame handicraft articles.