3. Annex II shall be amended as follows:

(a) the entry for HS heading 1904 shall be replaced by:

"1904 Prepared foods obtained by the swelling or roasting of cereal or cereal products (for example, corn flakes); cereals [other than maize (corn)] in grain form or in the form of flakes or other worked grains (except flour and meal), pre-cooked, or otherwise prepared, not elsewhere specified or included

Manufacture:

- from materials not classified within heading No 1806;
- in which all the cereals and flour (except durum wheat and its derivatives and Zea indurata maize) used must be wholly obtained;¹
- in which the value of any materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product

(b) the entry for HS heading 2207 shall be replaced by:

"2207	Undenatured ethyl alcohol of an alcoholic strength by volume of 80 % vol or higher; ethyl alcohol and other spirits, denatured, of any strength	Manufacture: - from materials not classified within heading Nos 2207 or 2208; - in which all the grapes or any material derived from grapes used must be wholly obtained or if all the other materials used are already originating, arrack may be used up to a limit of 5 % by volume".	
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(c) the entry for HS Chapter 57 shall be replaced by:

"Chapter 57	Carpets and other textile floor coverings:	
	- Of needleloom felt	Manufacture from¹: - natural fibres, or - chemical materials or textile pulp However: - polypropylene filament of heading No 5402, or - polypropylene fibres of heading No 5503 or 5506, or - polypropylene filament tow of heading No 5501, of which the denomination in all cases of a single filament or fibre is less than 9 decitex, may be used provided their value does not exceed 40 % of the ex-works price of the product Jute fabric may be used as backing
	- Of other felt	Manufacture from¹: - natural fibres not carded or combed or otherwise processed for spinning, or - chemical materials or textile pulp
	- Of other textiles materials	Manufacture from¹: - coir or jute yarn, - synthetic or artificial filament yarn, - natural fibres, or - man-made staple fibres not carded or combed or otherwise processed for spinning Jute fabric may be used as backing
¹ For speci		 coir or jute yarn, synthetic or artificial filament yarn, natural fibres, or man-made staple fibres not carded or combed or otherwise processed for spinning

¹ The exception concerning the Zea indurata maize is applicable until 31. 12. 2002.".