2. For the purposes of paragraph 1, all operations carried out in the customs territory of a Party on the product shall be taken into account together.

3. For the purposes of this Article:

(a) an operation is described as "simple" if neither special skills nor machines, apparatus or equipment especially produced or installed for carrying it out are needed;

(b) "simple mixing" means an operation of mixing which needs neither special skills nor machines, apparatus or equipment especially produced or installed for carrying it out. However, simple mixing does not include chemical reaction. "Chemical reaction" means a process, including a biochemical process, which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule; and

(c) "simple assembly" means an operation of assembling parts of articles without special skills, machines, apparatus or equipment especially produced or installed for carrying it out. Such operation does not include testing or inspection.

Article VIII
Unit of Qualification

1. In applying the provisions of this Annex, the unit of qualification shall be the particular product which is considered as the basic unit when determining classification under the Harmonized System. Accordingly, it follows that:

(a) when a product composed of a group or assembly of articles is classified under a single tariff line, the whole constitutes the unit of qualification; and

(b) when a consignment consists of a number of identical products classified under a single tariff line, each product shall be taken individually into account in determining whether it qualifies as an originating product of a Party.

2. With respect to packaging materials and containers that are used for retail sale of a product:

(a) in determining whether all the non-originating materials used in the production of the product have undergone the applicable change in tariff classification or a specific manufacturing or processing operation set out in Appendix 1 to this Annex, packaging materials and containers for retail sale, which are classified with the product pursuant to Rule 5 of the General Rules for the Interpretation of the Harmonized System, shall be disregarded; and

(b) in calculating the value of non-originating materials used in the production of the product, packaging materials and containers that are used for retail sale shall be considered as materials of the product.

3. Packing materials and containers for shipment that are used to protect a product during transportation shall be disregarded in determining whether the product qualifies as an originating product of a Party.

Article IX
Unassembled or Disassembled Product

1. Where a product satisfies the requirements of the relevant provisions of Articles II to VIII of this Annex and is imported into the customs territory of a Party from the customs territory of the other Party in an unassembled or disassembled form but is classified as an assembled product pursuant to Rule 2(a) of the General Rules for the Interpretation of the Harmonized System, such product shall be considered as an originating product of the other Party.