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- 18 United States-Jordan Free Trade Area Implementation Act.
 - (a) The products of Jordan described in Annex 2.1 of the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, entered into force on October 24, 2000, are subject to duty as provided herein. Products of Jordan, as defined in subdivisions (b) through (d) of this note, that are imported into the customs territory of the United States and entered under a provision for which a rate of duty appears in the "Special" subcolumn followed by the symbol "JO" in parentheses are eligible for the tariff treatment set forth in the "Special" subcolumn, in accordance with sections 101 and 102 of the United States-Jordan Free Trade Area Implementation Act (Public Law 107-43, 115 Stat. 243).
 - (b) For purposes of this note, subject to the provisions of subdivisions (d) and (e), goods imported into the customs territory of the United States are eligible for treatment as "products of Jordan" only if—
 - (i) such goods are imported directly from Jordan into the customs territory of the United States, and
 - (ii) they are-
 - (A) wholly the growth, product or manufacture of Jordan, or
 - (B) new or different articles of commerce that have been grown, produced or manufactured in Jordan and meet the requirements of subdivision (c) of this note.
 - (c) (i) For purposes of subdivision (b)(ii)(A) of this note, except as otherwise provided in subdivision (d) for textile and apparel articles, the expression "wholly the growth, product or manufacture of Jordan" refers both to--
 - (A) an article which has been entirely grown, produced or manufactured in Jordan, and
 - (B) all materials incorporated in an article which have been entirely grown, produced or manufactured in Jordan,

but does not include articles or materials imported into Jordan from another country, whether or not such articles or materials were substantially transformed into new or different articles of commerce after their importation into Jordan.

- (ii) For purposes of subdivision (b)(ii)(B), goods are eligible for the tariff treatment provided in this note if the sum of-
 - (A) the cost or value of the materials produced in Jordan, plus
 - (B) the direct costs of processing operations performed in Jordan,

is not less than 35 percent of the appraised value of such article at the time it is entered. If the cost or value of materials produced in the customs territory of the United States is included with respect to an article to which this subdivision applies, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributable to such United States cost or value may be applied toward determining the percentage referred to in this subdivision.

- (iii) No article may be considered to meet the requirements of this note by virtue of having merely undergone-
 - (A) simple combining or packaging operations, or
 - (B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.
- (iv) For purposes of subdivision (ii)(A), the term "cost or value of materials" includes-
 - (A) the manufacturer's actual cost for the materials,
 - (B) when not included in the manufacturer's actual cost for the materials, the freight, insurance, packing and all other costs incurred in transporting the materials to the manufacturer's plant,
 - (C) the actual cost of waste or spoilage (material list), less the value of recoverable scrap, and

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(D) taxes and/or duties imposed on the materials by a party to the Agreement, provided they are not remitted upon exportation.

When a material is provided to the manufacturer without charge, or at less than fair market value, its cost or value shall be determined by computing the sum of (I) all expenses incurred in the growth, production or manufacturer of the material, including general expenses; (II) an amount for profit; and (III) freight, insurance, packing, and all other costs incurred in transporting the material to the manufacturer's plant. If the pertinent information is not available, the appraising officer may ascertain or estimate the value thereof using all reasonable ways and means at his disposal.

- (v) For purposes of subdivision (ii)(B), the term "direct costs of processing operations" performed in Jordan means those costs either directly incurred in, or which can be reasonably allocated to, the growth, production, manufacture or assembly of the goods entered under the terms of subdivision (a) of this note. That term includes, but is not limited to, the following, to the extent that they are includible in the appraised value of goods imported into the customs territory of the United States—
 - (A) all actual labor costs involved in the growth, production, manufacture or assembly of the specific merchandise, including fringe benefits, on-the-job training and the cost of engineering, supervisory, quality control and similar personnel, and
 - (B) dies, molds, tooling and depreciation on machinery and equipment which are allocable to the specific merchandise,
 - (C) research, development, design, engineering and blueprint costs insofar as they are allocable to the specific article, and
 - (D) costs of inspecting and testing the specific article;

but that term does not include costs which are not directly attributable to the merchandise concerned, or are not costs of manufacturing the product, such as (I) profit, and (II) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the growth, production, manufacture or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising and salesmen's salaries, commissions or expenses.

- (vi) For purposes of subdivision (b)(i) of this note, except for goods covered by the provisions of subdivision (d) of this note, the term "imported directly" means—
 - (A) direct shipment from Jordan to the United States without passing through the territory of any intermediate country, or
 - (B) if shipment is through the territory of an intermediate country, the articles in the shipment do not enter into the commerce of any intermediate country and the invoices, bills of lading and other shipping documents show the United States as the final destination, or
 - (C) if shipment is through an intermediate country and the invoices and other documents do not show the United States as the final destination, then the articles in the shipment are imported directly only if they—
 - (1) remain under the control of the customs authority in an intermediate country,
 - (2) do not enter into the commerce of an intermediate country except for the purpose of a sale other than at retail, provided that the articles are imported as a result of the original commercial transaction between the importer and the producer or the producer's sales agent, and
 - (3) have not been subjected to operations other than loading and unloading, and other activities necessary to preserve the article in good condition.
- (d) Textile and apparel articles.
 - (i) For purposes of this note, a textile or apparel article imported directly from Jordan into the customs territory of the United States shall be eligible for the tariff treatment provided in subdivision (a) of this note only if—
 - (A) the article is wholly obtained or produced in Jordan;
 - (B) the article is a yarn, thread, twine, cordage, rope, cable or braiding, and-

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- (1) the constituent staple fibers are spun in Jordan, or
- (2) the continuous filament is extruded in Jordan;
- (C) the article is a fabric, including a fabric classified in chapter 59 of the tariff schedule, and the constituent fibers, filaments or yarns are woven, knitted, needled, tufted, felted, entangled or transformed by any other fabric-making process in Jordan; or
- (D) the article is any other textile or apparel article that is wholly assembled in Jordan from its component pieces.

Such textile and apparel articles not wholly obtained or produced in Jordan must comply with the requirements of this subdivision and of subdivision (c)(ii) of this note.

- (ii) For purposes of subdivision (d)(i)(A) of this note, an article is "wholly obtained or produced in Jordan" if it is wholly the growth, product or manufacture of Jordan.
- (lii) Notwithstanding the provisions of subdivision (d)(i)(D) and except as provided in subdivisions (d)(5) and (d)(6) of this note, subdivision (d)(i)(A), (d)(i)(B) or (d)(i)(C), as appropriate, shall determine whether a good that is classified in one of the following headings or subheadings of the tariff schedule shall be considered to meet the requirements of subdivision (b) of this note: 5609, 5807, 5811, 6209.20.50 (the requirement of this subdivision applies only to babies' diapers of this provision), 6213, 6214, 6301, 6302, 6304, 6305, 6306, 6307.10, 6307.90, 6308 and 9404.90.
- (iv) Notwithstanding the provisions of subdivision (d)(i)(D) and except as provided in subdivisions (d)(v) and (d)(vi) of this note, a textile or apparel article which is knit-to-shape in Jordan shall be considered to meet the requirements of subdivision (b) of this note.
- (v) Notwithstanding the provisions of subdivision (d)(i)(D) of this note, a good classified in subheading 6117.10, heading 6213 or 6214 or subheadings 6302.22, 6302.29, 6302.53, 6302.59, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85 or 9494.90.95 of the tariff schedule, except for a good classified in any such provision as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, shall be considered to meet the requirements of subdivision (b) of this note if the fabric in the good is both dyed and printed in Jordan, and such dyeing and printing is accompanied by two or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing or moireing.
- (vi) Notwithstanding the provisions of subdivision (d)(i)(C) of this note, a fabric classified in the tariff schedule as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to meet the requirements of subdivision (b) of this note if the fabric is both dyed and printed in Jordan, and such dyeing and printing is accompanied by two or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing or moireing.
- (vii) If the origin of a textile or apparel article cannot be determined under subdivision (d)(i) or (d)(iii) through (d)(vi), inclusive, of this note, then that article shall be considered to meet the requirements of subdivision (b) of this note if—
 - (A) the most important assembly or manufacturing process occurs in Jordan, or
 - (B) if the applicability of subdivision (b) of this note cannot be determined under subdivision (d)(vii)(A) of this note, the last important assembly or manufacturing occurs in Jordan.
- (e) Exclusion. A good shall not be considered to meet the requirements of subdivision (b) of this note if the good-
 - (i) is imported into Jordan, and, at the time of importation, would be classified in heading 0805 of the tariff schedule, and
 - (ii) is processed in Jordan into a good classified in subheadings 2009.11 through 2009.39, inclusive, of the tariff schedule.
- (f) Certification and records. Whenever an importer enters an article as eligible for the preferential treatment provided under this note-
 - (i) the importer shall be deemed to certify that such article qualifies for the preferential treatment provided under this note;

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- (Ii) the importer shall be prepared to submit to the customs officer concerned, upon request, a declaration setting forth all pertinent information concerning the production or manufacture of the article, and the information on such declaration should contain at least the following pertinent details:
 - (A) a description of the article, quantity, numbers and marks of packages, invoice numbers and bills of lading;
 - (B) a description of the operations performed in the production of the article in Jordan and identification of the direct costs of processing operations;
 - (C) a description of any materials used in the production of the article which are wholly the growth, product or manufacture of Jordan or of the United States, and a statement as to the cost or value of such materials;
 - (D) a description of the operations performed on, and a statement as to the origin and cost or value of, any foreign materials used in the article which are claimed to have been sufficiently processed in Jordan so as to be materials produced in Jordan: and
 - (E) a description of the origin and cost or value of any foreign materials used in the article which have not been substantially transformed in Jordan.

This declaration shall be prepared, signed and submitted upon request by the U.S. customs officer concerned. A declaration should only be requested when the Customs Service has reason to question the accuracy of the certification that, by operation of subdivision (f)(i) of this note, is deemed to have occurred, or when the Customs Service procedures for assessing the risk of improper or incorrect entry of an article indicate that verification of an entry is appropriate, or when a random verification is conducted. The information necessary for the preparation of the declaration shall be retained in the files of the importer for a period of five years.

(g) The Secretary of the Treasury, after consultation with the United States Trade Representative, shall prescribe such regulations as may be necessary to carry out this note.

[General notes 19 through 24, inclusive, were transferred and designated as subdivisions (e) through (j), respectively, of general note 3 to the tariff schedule.]