

ANNEX 3

PRODUCT SPECIFIC RULES

General Notes

For the purposes of this Annex:

1. The first column of the list contains chapters, headings or subheadings and the second column sets out descriptions of the products. Goods in this list are determined solely by the HS codes of the goods. The names of the goods are used only for convenience.
2. “Chapter” means a chapter of the Harmonized System (2 digits);
“Heading” means a heading of the Harmonized System (4 digits);
“Subheading” means a subheading of the Harmonized System (6 digits);
“CTC” means change in tariff classification at HS 2, 4 or 6-digit level (CC, CTH, CTS);
“WO” means that the good must be wholly produced or obtained entirely in a Party in accordance with Article 4.4 of this Agreement;
“CC” means that all non-originating materials used in the production of the final goods have undergone a change in tariff classification at HS 2-digit level (change in Chapter);
“CTH” means that all non-originating materials used in the production of the final goods have undergone a change in tariff classification at the HS 4-digit level (change in Heading);
“CTSH” means that all non-originating materials used in the production of the final goods have undergone a change in tariff classification at the HS 6-digit level (change in Subheading);
“VAC X%” means that value added content which is calculated using the formula set out in Article 4.5 of this Agreement, is not less than X percent and process of production of final goods has been performed in a Party;
“CTC + VAC X%” means the requirement to change the tariff classification provided that value added content which is calculated using the formula set out in Article 4.5 of this Agreement, is not less than X percent and process of production of final goods has been performed in a Party;

“CTC or VAC X%” means either the requirement to change the tariff classification or the value added content which is calculated using the formula set out in Article 4.5 of this Agreement of not less than X percent and process of production of final goods has been performed in a Party.

3. The requirement of a change in tariff classification shall apply only to non-originating materials.
4. The origin criteria specified in the third column of the list set the minimum requirements for production operations. A greater value added content of production operation made beyond the minimum requirement shall also confer originating status.