

- (b) with respect to Chile, the Government of the Republic of Chile;

territory means:

- (a) with respect to Canada, the territory to which its customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic law, Canada may exercise rights with respect to the seabed and subsoil and their natural resources; and
- (b) with respect to Chile, the land, maritime, and air space under its sovereignty, and the exclusive economic zone and the continental shelf over which it exercises sovereign rights and jurisdiction in accordance with international law and its domestic law.

PART TWO:

TRADE IN GOODS

CHAPTER C: NATIONAL TREATMENT AND MARKET ACCESS FOR GOODS

Article C-00:

Scope and Coverage

This Chapter applies to trade in goods of a Party, including:

- (a) goods covered by Annex C-00-A (Trade and Investment in the Automotive Sector); and
- (b) goods covered by Annex C-00-B (Textile and Apparel Goods), except as provided in such Annex.

Section I – National Treatment

Article C-01:

National Treatment

1. Each Party shall accord national treatment to the goods of the other Party in accordance with Article III of the GATT 1994, including its interpretative notes, and to this end Article III of the GATT 1994 and its interpretative notes, or any equivalent provision of a successor agreement to which both Parties are party, are incorporated into and made part of this Agreement.
2. The provisions of paragraph 1 regarding national treatment shall mean, with respect to a province, treatment no less favourable than the most favourable treatment accorded by such province to any like, directly competitive or substitutable goods, as the case may be, of the Party of which it forms a part¹.
3. Paragraphs 1 and 2 do not apply to the measures set out in Annex C-01.3.

Section II – Tariffs

Article C-02:

Tariff Elimination²

1. Except as otherwise provided in this Agreement, neither Party may increase any existing customs duty, or adopt any customs duty, on a good.³
2. Except as otherwise provided in this Agreement, each Party shall progressively eliminate its customs duties on goods in accordance with its Schedule to Annex C-02.2 ⁴.
3. On the request of a Party, the Parties shall consult to consider accelerating the elimination of customs duties set out in their Schedules. An agreement between the Parties to accelerate the elimination of a customs duty on a good shall supersede any duty rate or staging category determined pursuant to their Schedules for such good when approved by each such Party in accordance with its applicable legal procedures.
4. Except as otherwise provided in this Agreement, either Party may adopt or maintain import measures to allocate in-quota imports made pursuant to a tariff rate quota set out in Annex C-02.2, provided that such measures do not have trade restrictive effects on imports additional to those caused by the imposition of the tariff rate quota.
5. On written request of either Party, a Party applying or intending to apply measures pursuant to paragraph 4 shall consult to review the administration of those measures.

Article C-03:

Waiver of Customs Duties

1. Neither Party may adopt any new waiver of customs duties, or expand with respect to existing recipients or extend to any new recipient the application of an existing waiver of customs duties, where the waiver is conditioned, explicitly or implicitly, on the fulfilment of a performance requirement.
2. Except as set out in Annex C-03.2, neither Party may, explicitly or implicitly, condition on the fulfilment of a performance requirement the continuation of any existing waiver of customs duties.
3. If a waiver or a combination of waivers of customs duties granted by a Party with respect to goods for commercial use by a designated person can be shown by the other Party to have an adverse impact on the commercial interests of a person of that Party, or of a person owned or controlled by a person of that Party that is located in the territory of the Party granting the waiver, or on the other Party's economy, the Party granting the waiver shall either cease to grant it or make it generally available to any importer.
4. This Article shall not apply to drawback and duty deferral programs.

Article C-04:

Temporary Admission of Goods

1. Each Party shall grant duty-free temporary admission, including exemption from fees as specified in Annex C-04.1 for:

- (a) professional equipment necessary for carrying out the business activity, trade or profession of a business person who qualifies for temporary entry pursuant to Chapter K (Temporary Entry for Business Persons);
- (b) equipment for the press or for sound or television broadcasting and cinematographic equipment;
- (c) goods imported for sports purposes and goods intended for display or demonstration; and
- (d) commercial samples and advertising films, imported from the territory of the other Party, regardless of their origin and regardless of whether like, directly competitive or substitutable goods are available in the territory of the Party.

2. Except as otherwise provided in this Agreement, neither Party may condition the dutyfree temporary admission of a good referred to in paragraph 1(a), (b) or (c), other than to require that such good:

- (a) be imported by a national or resident of the other Party who seeks temporary entry;
- (b) be used solely by or under the personal supervision of such person in the exercise of the business activity, trade or profession of that person;
- (c) not be sold or leased while in its territory;
- (d) be accompanied by a bond in an amount no greater than 110 per cent of the charges that would otherwise be owed on entry or final importation, or by another form of security, releasable on exportation of the good, except that a bond for customs duties shall not be required for an originating good⁵;
- (e) be capable of identification when exported;
- (f) be exported on the departure of that person or within such other period of time as is reasonably related to the purpose of the temporary admission; and
- (g) be imported in no greater quantity than is reasonable for its intended use.

3. Except as otherwise provided in this Agreement, neither Party may condition the dutyfree temporary admission of a good referred to in paragraph 1(d), other than to require that such good:

- (a) be imported solely for the solicitation of orders for goods, or services provided from the territory, of the other Party or a non-Party;
- (b) not be sold, leased or put to any use other than exhibition or demonstration while in its territory;

- (c) be capable of identification when exported;
 - (d) be exported within such period as is reasonably related to the purpose of the temporary admission; and
 - (e) be imported in no greater quantity than is reasonable for its intended use.
4. Where a good is temporarily admitted duty free under paragraph 1 and any condition the Party imposes under paragraph 2 and 3 has not been fulfilled, a Party may impose:
- (a) the customs duty and any other charge that would be owed on entry or final importation of the good; and
 - (b) any applicable criminal, civil or administrative penalties that the circumstances may warrant.
5. Subject to Chapters G (Investment) and H (Cross-Border Trade in Services):
- (a) each Party shall allow a vehicle or container used in international traffic that enters its territory from the territory of the other Party to exit its territory on any route that is reasonably related to the economic and prompt departure of such vehicle or container;
 - (b) neither Party may require any bond or impose any penalty or charge solely by reason of any difference between the port of entry and the port of departure of a vehicle or container;
 - (c) neither Party may condition the release of any obligation, including any bond, that it imposes in respect of the entry of a vehicle or container into its territory on its exit through any particular port of departure; and
 - (d) neither Party may require that the vehicle or carrier bringing a container from the territory of the other Party into its territory be the same vehicle or carrier that takes such container to the territory of the other Party.
6. For purposes of paragraph 5, "vehicle" means a truck, a truck tractor, tractor, trailer unit or trailer, a locomotive, or a railway car or other railroad equipment.

Article C-05:

Duty-Free Entry of Certain Commercial Samples and Printed Advertising Materials

Each Party shall grant duty-free entry to commercial samples of negligible value, and to printed advertising materials, imported from the territory of the other Party, regardless of their origin, but may require that:

- (a) such samples be imported solely for the solicitation of orders for goods, or services provided from the territory, of the other Party or a non-Party; or

- (b) such advertising materials be imported in packets that each contain no more than one copy of each such material and that neither such materials nor packets form part of a larger consignment.

Article C-06:

Goods Re-Entered after Repair or Alteration⁶

1. Neither Party may apply a customs duty to a good, regardless of its origin, that reenters its territory after that good has been exported from its territory to the territory of the other Party for repair or alteration, regardless of whether such repair or alteration could be performed in its territory.
2. Neither Party may apply a customs duty to a good, regardless of its origin, imported temporarily from the territory of the other Party for repair or alteration.

Article C-07

Most-Favoured-Nation Rates of Duty on Certain Goods

1. Each Party shall eliminate its most-favoured-nation tariff applied to the goods indicated in the Harmonized System tariff items set out in Annex C-07.
2. The schedule set out in Annex C-07 provides for the elimination of the most-favoured nation tariff of each Party for the affected goods no later than January 1, 1999.

Section III – Non-Tariff Measures

Article C-08:

Import and Export Restrictions

1. Except as otherwise provided in this Agreement, neither Party may adopt or maintain any prohibition or restriction on the importation of any good of the other Party or on the exportation or sale for export of any good destined for the territory of the other Party, except in accordance with Article XI of the GATT 1994, including its interpretative notes, and to this end Article XI of the GATT 1994 and its interpretative notes, or any equivalent provision of a successor agreement to which both Parties are party, are incorporated into and made a part of this Agreement.
2. The Parties understand that the GATT 1994 rights and obligations incorporated by paragraph 1 prohibit, in any circumstances in which any other form of restriction is prohibited, export price requirements and, except as permitted in enforcement of countervailing and antidumping orders and undertakings, import price requirements.
3. In the event that a Party adopts or maintains a prohibition or restriction on the importation from or exportation to a non-Party of a good, nothing in this Agreement shall be construed to prevent the Party from:
 - (a) limiting or prohibiting the importation from the territory of the other Party of such good of that non-Party; or

- (b) requiring as a condition of export of such good of the Party to the territory of the other Party, that the good not be re-exported to the non-Party, directly or indirectly, without being consumed in the territory of the other Party.

4. In the event that a Party adopts or maintains a prohibition or restriction on the importation of a good from a non-Party, the Parties, on request of the other Party, shall consult with a view to avoiding undue interference with or distortion of pricing, marketing and distribution arrangements in the other Party.

5. Paragraphs 1 through 4 shall not apply to the measures set out in Annex C-01.3 and Annex C-08.

Article C-09:

Customs User Fees

Neither Party may adopt or maintain any customs user fee of the type referred to in Annex C-09 for originating goods.

Article C-10:

Wine and Distilled Spirits

- 1. Neither Party may adopt or maintain any measure requiring that distilled spirits imported from the territory of the other Party for bottling be blended with any distilled spirits of the Party.
- 2. Annex C-10.2 applies to other measures relating to wine and distilled spirits.

Article C-11:

Geographical Indications

As set out in Annex C-11 and taking into account the TRIPS Agreement, the Parties shall protect the geographical indications for the products specified in that Annex.

Article C-12:

Export Taxes

Neither Party may adopt or maintain any duty, tax or other charge on the export of any good to the territory of the other Party, unless such duty, tax or charge is adopted or maintained on any such good when destined for domestic consumption.

Article C-13:

Other Export Measures

- 1. Except as set out in Annex C-08, a Party may adopt or maintain a restriction otherwise justified under Articles XI: 2(a) or XX(g), (i) or (j) of the GATT 1994 with respect to the export of a good of the Party to the territory of the other Party, only if:

- (a) the restriction does not reduce the proportion of the total export shipments of the specific good made available to the other Party relative to the total supply of that good of the Party maintaining the restriction as compared to the proportion prevailing in the most recent 36-month period for which data are available prior to the imposition of the measure, or in such other representative period on which the Parties may agree;
 - (b) the Party does not impose a higher price for exports of a good to the other Party than the price charged for such good when consumed domestically, by means of any measure, such as licenses, fees, taxation and minimum price requirements. The foregoing provision does not apply to a higher price that may result from a measure taken pursuant to subparagraph (a) that only restricts the volume of exports; and
 - (c) the restriction does not require the disruption of normal channels of supply to the other Party or normal proportions among specific goods or categories of goods supplied to the other Party.
2. The Parties shall cooperate in the maintenance and development of effective controls on the export of each other's goods to a non-Party in implementing this Article.

Article C-14:

Export Subsidies on Agricultural Goods

1. The Parties share the objective of the multilateral elimination of export subsidies for agricultural goods and shall cooperate in an effort to achieve such an agreement.
2. Effective January 1, 2003, neither Party shall introduce or maintain any export subsidy on any agricultural goods originating in, or shipped from, its territory that are exported directly or indirectly to the territory of the other Party.
3. Where an exporting Party considers that a non-Party is exporting an agricultural good to the territory of the other Party with the benefit of export subsidies, the importing Party shall, on written request of the exporting Party, consult with the exporting Party with a view to agreeing on specific measures that the importing Party may adopt to counter the effect of any such subsidized imports. During the period before January 1, 2003, if the importing Party adopts the agreed-upon measures, the exporting Party shall refrain from applying, or immediately cease to apply, any export subsidy to exports of such good to the territory of the importing Party.
4. Until January 1, 2003, should a Party introduce or re-introduce a subsidy on exports of an agricultural good, the other Party may increase the rate of duty on such exports up to the applied most-favoured-nation tariff in effect at that time.

Section IV – Consultations

Article C-15:

Consultations and Committee on Trade in Goods and Rules of Origin

1. The Parties hereby establish a Committee on Trade in Goods and Rules of Origin, comprising representatives of each Party.

2. The Committee shall meet at least once each year, and at any other time on the request of either Party or the Commission, to ensure the effective implementation and administration of this Chapter, Chapter D, Chapter E and the Uniform Regulations. In this regard, the Committee shall:

- (a) monitor the implementation and administration by the Parties of this Chapter, Chapter D, Chapter E and the Uniform Regulations to ensure their uniform interpretation;
- (b) at the request of either party, review and endeavour to agree on, any proposed modification of or addition to this Chapter, Chapter D, Chapter E or the Uniform Regulations;
- (c) recommend to the Commission any modification of or addition to this Chapter, Chapter D, Chapter E or the Uniform Regulations and to any other provision of this Agreement as may be required to conform with any change to the Harmonized System; and
- (d) consider any other matter relating to the implementation and administration by the Parties of this Chapter, Chapter D, Chapter E and the Uniform Regulations referred to it by
 - (i) a Party,
 - (ii) the Customs Sub-Committee established under Article E-13, or
 - (iii) the Sub-Committee on Agriculture established under paragraph 4.

3. If the Committee fails to resolve a matter referred to it pursuant to paragraph 2 (b) or (d) within 30 days of such referral, either Party may request a meeting of the Commission under Article N-07.

4. The Parties hereby establish a Sub-Committee on Agriculture that shall:

- (a) provide a forum for the Parties to consult on issues relating to market access for agricultural goods, including wine and alcoholic beverages;
- (b) monitor the implementation and administration of this Chapter, Chapter D, and the Uniform Regulations as they affect agricultural goods;
- (c) meet annually or whenever so requested by either Party;
- (d) refer to the Committee any matter under sub-paragraph (b) on which it has been unable to reach agreement;
- (e) submit to the Committee for its consideration any agreement reached under this paragraph;
- (f) report annually to the Committee; and

(g) follow-up and promote cooperation in matters relating to agricultural goods.

5. Each Party shall to the greatest extent practicable, take all necessary measures to implement any modification of or addition to this Agreement within 180 days of the date on which the Commission agrees on the modification or addition.

6. The Parties shall convene on the request of either Party a meeting of their officials responsible for customs, immigration, inspection of food and agricultural products, border inspection facilities, and regulation of transportation for the purpose of addressing issues related to movement of goods through the Parties' ports of entry.

7. Nothing in this Chapter shall be construed to prevent a Party from issuing a determination of origin or an advance ruling relating to a matter under consideration by the Committee or from taking such other action as it considers necessary, pending a resolution of the matter under this Agreement.

Article C-16:

Customs Valuation Code

The Customs Valuation Code shall govern the customs valuation rules applied by the Parties to their reciprocal trade. The Parties agree that they will not make use in their reciprocal trade of the options and reservations permitted under Article 20 and paragraphs 2, 3 and 4 of Annex III of the Customs Valuation Code.

Article C-17:

Price Band System

1. Chile may maintain its Price Band System as established in Article 12 of Law 18.525 for the products covered by that Law and listed in Annex C-17.1. Chile shall not incorporate new products in the Price Band System or modify the method by which it is calculated and applied in a manner that makes it more trade restrictive than it was on November 13, 1996.

2. With respect to soft wheat flour, the multiplication factor provided for in Article 12 of Law 18.525 shall be established by statute and for a period not less than three years, consistent with Article 14 of that Law.

3. The tariff reductions in the Schedule of Chile to Annex C-02.2 for the products covered by Law 18.525 shall apply only to the ad-valorem tariff component and not to the specific duties or rebates that could result from the application of Law 18.525.

Section V – Definitions

Article C-18:

Definitions

For purposes of this Chapter:

advertising films means recorded visual media, with or without sound-tracks, consisting essentially of images showing the nature or operation of goods or services offered for sale or lease by a person established or resident in the territory of any Party, provided that the films are of a kind suitable for exhibition to prospective customers but not for broadcast to the general public, and provided that they are imported in packets that each contain no more than one copy of each film and that do not form part of a larger consignment;

agricultural goods means a good provided for in any of the following:²

(a) Harmonized System (HS) Chapters 1 through 24 (other than a fish or fish product); or

(b)

HS subheading	2905.43	manitol
HS subheading	2905.44	sorbitol
HS heading	33.01	essential oils
HS headings	35.01 to 35.05	albuminoidal substances, modified starches, glues
HS subheading	3809.10	finishing agents
HS subheading	3823.60	sorbitol n.e.p.
HS headings	41.01 to 41.03	hides and skins
HS heading	43.01	raw furskins
HS headings	50.01 to 50.03	raw silk and silk waste
HS headings	51.01 to 51.03	wool and animal hair
HS headings	52.01 to 52.03	raw cotton, cotton waste and cotton carded or combed
HS heading	53.01	raw flax
HS heading	53.02	raw hemp;

commercial samples of negligible value means commercial samples having a value, individually or in the aggregate as shipped, of not more than one U.S. dollar, or the equivalent amount in the currency of either of the Parties, or so marked, torn, perforated or otherwise treated that they are unsuitable for sale or for use except as commercial samples;

consumed means:

(a) actually consumed; or

(b) further processed or manufactured so as to result in a substantial change in value, form or use of the good or in the production of another good;

customs duty includes any customs or import duty and a charge of any kind imposed in connection with the importation of a good, including any form of surtax or surcharge in connection with such importation, but does not include any:

- (a) charge equivalent to an internal tax imposed consistently with Article III: 2 of the GATT 1994, or any equivalent provision of a successor agreement to which both Parties are party, in respect of like, directly competitive or substitutable goods of the Party, or in respect of goods from which the imported good has been manufactured or produced in whole or in part;
- (b) anti-dumping or countervailing duty that is applied pursuant to a Party's domestic law and not applied inconsistently with Chapter M (Anti-dumping and Countervailing Duty Matters);
- (c) fee or other charge in connection with importation commensurate with the cost of services rendered; and
- (d) premium offered or collected on an imported good arising out of any tendering system in respect of the administration of quantitative import restrictions, tariff rate quotas or tariff preference levels;

distilled spirits include distilled spirits and distilled spirit-containing beverages;

drawback program includes measures under which a Party refunds in whole or in part the amount of customs duties paid, or waives or reduces the amount of customs duties owed, on a good imported into its territory on condition that the good is:

- (a) subsequently exported to the territory of the other Party;
- (b) used as a material in the production of another good that is subsequently exported to the territory of the other Party; or
- (c) substituted by an identical or similar good used as a material in the production of another good that is subsequently exported to the territory of the other Party;

duty deferral program includes measures such as those governing foreign-trade zones, "regímenes de zonas francas y regímenes aduaneros especiales", temporary importations under bond, bonded warehouses, "maquiladoras" and inward processing programs;

duty-free means free of customs duties;

goods imported for sports purposes means sports requisites for use in sports contests, demonstrations or training in the territory of the Party into whose territory such goods are imported;

goods intended for display or demonstration includes their component parts, ancillary apparatus and accessories;

local area network apparatus means a good dedicated for use solely or principally to permit the interconnection of automatic data processing machines and units thereof for a network that is used primarily for the sharing of resources such as central processor units, data storage devices and input or output units, including in-line repeaters, converters, concentrators, bridges and routers, and printed circuit assemblies for physical incorporation into automatic data processing machines and units thereof suitable for use solely or principally with a private network, and providing for the transmission, receipt, error-checking, control, signal conversion or correction functions for non-voice data to move through a local area network;

performance requirement means a requirement that:

- (a) a given level or percentage of goods or services be exported;
- (b) domestic goods or services of the Party granting a waiver of customs duties be substituted for imported goods or services;
- (c) a person benefitting from a waiver of customs duties purchase other goods or services in the territory of the Party granting the waiver or accord a preference to domestically produced goods or services;
- (d) a person benefitting from a waiver of customs duties produce goods or provide services, in the territory of the Party granting the waiver, with a given level or percentage of domestic content; or
- (e) relates in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows;

printed advertising materials means those goods classified in Chapter 49 of the Harmonized System, including brochures, pamphlets, leaflets, trade catalogues, yearbooks published by trade associations, tourist promotional materials and posters, that are used to promote, publicize or advertise a good or service, are essentially intended to advertise a good or service, and are supplied free of charge;

repair or alteration does not include an operation or process that either destroys the essential characteristics of a good or creates a new or commercially different good⁸;

total export shipments means all shipments from total supply to users located in the territory of the other Party;

total supply means all shipments, whether intended for domestic or foreign users, from:

- (a) domestic production;
- (b) domestic inventory; and

- (c) other imports as appropriate; and

waiver of customs duties means a measure that waives otherwise applicable customs duties on any good imported from any country, including the territory of the other Party.

Annex C-01.3:

Exceptions to Articles C-01 and C-08

Section I – Canadian Measures

1. Articles C-01 and C-08 shall not apply to controls by Canada on the export of logs of all species.
2. Articles C-01 and C-08 shall not apply to controls by Canada on the export of unprocessed fish pursuant to the following existing statutes, as amended:
 - (a) New Brunswick Fish Processing Act, R.S.N.B. c. F-18.01 (1982), and Fisheries Development Act, S.N.B. c. F-15.1 (1977);
 - (b) Newfoundland Fish Inspection Act, R.S.N. 1990, c. F-12;
 - (c) Nova Scotia Fisheries Act, S.N.S. 1977, c. 9;
 - (d) Prince Edward Island Fish Inspection Act, R.S.P.E.I. 1988, c. F-13; and
 - (e) Quebec Marine Products Processing Act, No. 38, S.Q. 1987, c. 51.
3. Without prejudice to Chile's rights under the WTO Agreement, Articles C-01 and C-08 shall not apply to:
 - (a) measures by Canada respecting the importation of any goods enumerated or referred to in Schedule VII of the Customs Tariff, R.S.C. 1985, c. 41 (3rd Supp.), as amended;
 - (b) measures by Canada respecting the exportation of liquor for delivery into any country into which the importation of liquor is prohibited by law under the existing provisions of the Export Act, R.S.C. 1985, c. E-18, as amended;
 - (c) Canadian excise duties on absolute alcohol used in manufacturing under the existing provisions of the Excise Act, R.S.C. 1985, c. E-14, as amended; and
 - (d) measures by Canada prohibiting the use of foreign or non-duty paid ships in the coasting trade of Canada unless granted a license under the Coasting Trade Act, S.C. 1992, c. 31, to the extent that such provisions were mandatory legislation at the time of Canada's accession to the General Agreement on Tariffs and Trade, 1947, and have not been amended so as to decrease their conformity with the GATT 1994.

4. Articles C-01 and C-08 shall not apply to:
- (a) the continuation or prompt renewal of a non-conforming provision of any statute referred to in paragraph 2 or 3; and
 - (b) the amendment to a non-conforming provision of any statute referred to in paragraph 2 or 3 to the extent that the amendment does not decrease the conformity of the provision with Articles C-01 and C-08.

Section II - Chilean Measures

Used Vehicles:

Chile may continue to prohibit imports of used vehicles provided for in the following Chilean tariff items:

8701.20.00	8702.10.10
8704.22.30	8702.10.90
8704.22.60	8702.90.10
8704.22.70	8702.90.20
8704.22.80	8702.90.90
8704.22.90	8703.21.10
8704.23.10	8703.21.90
8704.23.40	8703.22.10
8704.23.50	8703.22.90
8704.23.60	8703.23.10
8704.23.90	8703.23.90
8704.31.10	8703.24.10
8704.31.20	8703.24.90
8704.31.30	8703.31.10
8704.31.60	8703.31.90
8704.31.70	8703.32.10
8704.31.80	8703.32.90
8704.31.90	8703.33.10
8704.32.10	8703.33.90
8704.32.20	8703.90.10
8704.32.30	8703.90.90
8704.32.60	8704.21.10
8704.32.70	8704.21.20
8704.32.80	8704.21.30
8704.32.90	8704.21.60
8704.90.10	8704.21.70
8704.90.20	8704.21.80
8704.90.30	8704.21.90
8704.90.60	8704.22.10
8704.90.70	8704.22.20
8704.90.80	8704.90.90

For purposes of this Annex: **used vehicle** means a vehicle of a model year earlier than the year in which the Import Declaration for the vehicle is accepted by the Chilean Customs Service, ("Servicio Nacional de Aduanas"), except where the Import Declaration is accepted prior to April

30 in the current year and the vehicle is of the immediately preceding model year, regardless of the kilometres that the vehicle has travelled.

Annex C-02.2:

Tariff Elimination

1. The method for determining the interim rate of customs duty at each stage of reduction for an item is indicated for the item in each Party's Schedule attached to this Annex.
2. For the purpose of the elimination of customs duties in accordance with Article C-02, interim staged rates shall be rounded down, except as set out in each Party's Schedule attached to this Annex, at least to the nearest tenth of a percentage point or, if the rate of duty is expressed in monetary units, at least to the nearest 0.001 of the official monetary unit of the Party.
3. **Tariff rate quota** means a mechanism that provides for the application of a customs duty at a certain rate to imports of a particular good up to a specified quantity (in-quota quantity), and at a different rate to imports of that good that exceed that quantity. The in-quota quantities which are set out in the Annexes correspond to calendar years, except where otherwise indicated. If the entry into force of the Agreement corresponds to a date after January 1, 1997 and before December 31 of the same year, the in-quota quantity will be prorated on a proportional basis for the remainder of the calendar year.

Annex C-03.2:

Continuation of Existing Waivers of Customs Duties

Canada

For purposes of Article C-03(2), Canada may:

- (a) condition on the fulfilment of a performance requirement the waiver of customs duties under any measure in effect on or before January 1, 1989, on any goods entered or withdrawn from warehouse for consumption before January 1, 1998;
- (b) grant waivers of customs duties as set out in Annex C-00-A (Trade and Investment in the Automotive Sector); and
- (c) maintain the measures referred to in Article 1002(1) and (4) (as they refer to Annex 1002.1, Part Two), Article 1002(2) and Part Two (Export-Based Waivers of Customs Duties) of Annex 1002.1 of the Canada-United States Free Trade Agreement.

Chile

For the purposes of Article C-03.2, Chile may maintain:

- (a) until December 31, 1999 the customs duty exemption measures under Article 3 of Law 18.483; and
- (b) until December 31, 1998

- (i) fiscal credit measures, ("crédito fiscal"), under Articles 9 and 10 of Law 18.483, and
- (ii) fiscal credit measures, ("crédito fiscal"), for exports of domestic components under Articles 11, 11bis, 12 and 12bis of Law 18.483, provided that the benefits under these measures are available only to automotive manufacturers as defined under Article 1(h) of Law 18.483 registered with the Automotive Commission ("Comisión Automotriz") as of January 1, 1996 and that, as of that date, such benefits are not expanded nor any new benefits provided under these measures.

Annex C-04.1:

Temporary Admission of Goods

The temporary admission of goods from Canada specified in paragraph 1 of Article C-04 shall not be subject to payment of the fee established in Article 139 of the Chilean Customs Ordinance (Ordenanza de Aduanas) contained in Decree with Force of Law 30 of the Ministry of Finance, Official Gazette, April 13, 1983, ("Decreto con Fuerza de Ley 30 del Ministerio de Hacienda, Diario Oficial, 13 abril 1983").

Annex C-07:

Most-Favoured-Nation Rates of Duty on Certain Automatic Data Processing Goods and Their Parts

1. List of tariff provisions and MFN tariff elimination dates for Article C-07: ⁹

Automatic Data Processing Machines (ADP)

<u>Tariff Item</u>	<u>Canada</u>	<u>Chile</u>
8471.10.00	c	b
8471.30.00	c	b
8471.41.00	c	b
8471.49.00	n.a.	b
8471.49.10	c	n.a.
8471.49.20	c	n.a.
8471.49.31	a	n.a.
8471.49.32	a	n.a.
8471.49.33	a	n.a.
8471.49.34	a	n.a.
8471.49.35	a	n.a.
8471.49.36	a	n.a.
8471.49.39	a	n.a.
8471.49.41	c	n.a.
8471.49.42	c	n.a.
8471.49.49	c	n.a.
8471.49.51	c	n.a.
8471.49.52	a	n.a.

8471.49.59	c	n.a.
8471.49.61	a	n.a.
8471.49.69	c	n.a.
8471.49.71	c	n.a.
8471.49.72	c	n.a.
8471.49.79	c	n.a.
8471.50.00	c	b
8471.60.00	n.a.	b
8471.60.10	c	n.a.
8471.60.21	a	n.a.
8471.60.22	a	n.a.
8471.60.23	a	n.a.
8471.60.24	a	n.a.
8471.60.25	a	n.a.
8471.60.26	a	n.a.
8471.60.29	a	n.a.
8471.60.31	c	n.a.
8471.60.32	c	n.a.
8471.60.39	c	n.a.
8471.60.40	c	n.a.
8471.60.50	a	n.a.
8471.60.90	c	n.a.
8471.70.00	n.a.	b
8471.70.10	a	n.a.
8471.70.90	c	n.a.
8471.80.00	n.a.	b
8471.80.10	c	n.a.
8471.80.91	c	n.a.
8471.80.99	c	n.a.
8471.90.00	n.a.	b
8471.90.10	a	n.a.
8471.90.90	c n.a.	

Parts of Computers

<u>Tariff Item</u>	<u>Canada</u>	<u>Chile</u>
8473.30.00	n.a.	b
8473.30.10	a	n.a.
8473.30.21	a	n.a.
8473.30.22	a	n.a.
8473.30.23	a	n.a.
8473.30.91	a	n.a.
8473.30.99	a	n.a.

Computer Power Supplies

<u>Tariff Item</u>	<u>Canada</u>	<u>Chile</u>
8504.40.00	n.a.	b
8504.40.40	c	n.a.

8504.90.00	n.a.	b
8504.90.14	a	n.a.
8504.90.80	a	n.a.

Metal Oxide Varistors

<u>Tariff Item</u>	<u>Canada</u>	<u>Chile</u>
8533.40.10	a	b

**Diodes, Transistors and Similar Semiconductor Devices;
Photosensitive Semiconductor Devices;
Light Emitting Diodes;
Mounted Piezo-electric Crystals**

<u>Tariff Item</u>	<u>Canada</u>	<u>Chile</u>
8541.10.00	n.a.	b
8541.10.10	a	n.a.
8541.10.90	a n.a.	
8541.21.00	a b	
8541.29.00	a b	
8541.30.00	n.a. b	
8541.30.11	a n.a.	
8541.30.19	a n.a.	
8541.30.20	a n.a.	
8541.40.00	n.a. b	
8541.40.10	a n.a.	
8541.40.90	a n.a.	
8541.50.00	a b	
8541.60.00	a b	
8541.90.00	a b	

Electronic Integrated Circuits and Microassemblies

<u>Tariff Item</u>	<u>Canada</u>	<u>Chile</u>
8542.12.00	a	b
8542.13.00	n.a.	b
8542.13.10	a	n.a.
8542.13.90	a	n.a.
8542.14.00	n.a.	b
8542.14.10	a	n.a.
8542.14.90	a	n.a.
8542.19.00	n.a.	b
8542.19.10	a	n.a.
8542.19.90	a	n.a.
8542.30.00	a	b
8542.40.00	a	b
8542.50.00	a	b
8542.90.00	a	b

2. The Parties agree that local area network apparatus is provided for under heading 84.71 of the Harmonized System.
3. For greater certainty, in Article C-07, most-favoured-nation (MFN) rate of duty does not include any other concessionary rate of duty.

Annex C-08:

Import and Export Measures

Chile

1. Chile reserves the right not to apply Articles C-08 and C-13 to the copper and other reserves for national industry and authorized entities, according to the provisions of Articles 7, 8 and 9 of Law 16.624.
2. Notwithstanding paragraph 1, Chile shall bring the provisions of Law 16.624 into conformity with this Agreement within two years of the entry into force of the Agreement.

Annex C-09:

Existing Customs User Fees

Chile

Chile shall not levy the charges established under:

- (a) Article 190 of Law 16.464; or
- (b) Article 62 of Supreme Decree 172 of the Undersecretariat of Aviation, Official Gazette, April 10, 1974, Regulation of Aeronautical Rates and Duties, ("Decreto Supremo 172 de la Subsecretaría de Aviación, Diario Oficial, abril 10, 1974, Reglamento de Tasas Aeronáuticas e Impuestos"), on originating goods, effective on the date of entry into force of the Agreement.

Annex C-10.2:

Wine and Distilled Spirits

Canada

1. Except as provided in paragraphs 3 through 6, in respect of any measure related to the internal sale and distribution of wine and distilled spirits, Article C-01 shall not apply to:
 - (a) a non-conforming provision of any existing measure;
 - (b) the continuation or prompt renewal of a non-conforming provision of any existing measure; or

- (c) an amendment to a non-conforming provision of any existing measure to the extent that the amendment does not decrease its conformity with Article C-01.
- 2. The Party asserting that paragraph 1 applies to one of its measures shall have the burden of establishing the validity of such assertion.
- 3.
 - (a) Any measure related to the listing of wine and distilled spirits of the other Party shall
 - (i) conform with Article C-01,
 - (ii) be transparent, non-discriminatory and provide for prompt decision on any listing application, prompt written notification of such decision to the applicant and, in the case of a negative decision, provide for a statement of the reason for refusal,
 - (iii) establish administrative appeal procedures for listing decisions that provide for prompt, fair and objective rulings,
 - (iv) be based on normal commercial considerations,
 - (v) not create disguised barriers to trade, and
 - (vi) be published and made generally available to persons of the other Party;
 - (b) Notwithstanding paragraph 3(a) and Article C-01, and provided that listing measures of British Columbia otherwise conform with paragraph 3(a) and Article C-01, automatic listing measures in the province of British Columbia may be maintained provided they apply only to existing estate wineries producing less than 30,000 gallons of wine annually and meeting the existing content rule.
- 4.
 - (a) Where the distributor is a public entity, the entity may charge the actual cost-of-service differential between wine or distilled spirits of the other Party and domestic wine or distilled spirits. Any such differential shall not exceed the actual amount by which the audited cost of service for the wine or distilled spirits of the exporting Party exceeds the audited cost of service for the wine or distilled spirits of the importing Party;
 - (b) Notwithstanding Article C-01, Article I (Definitions) except for the definition of "distilled spirits", Article IV.3 (Wine), and Annexes A, B, and C, of the Agreement between Canada and the European Economic Community concerning Trade and Commerce in Alcoholic Beverages, dated February 28, 1989, shall apply with such changes as the circumstances may require;
 - (c) All discriminatory mark-ups on distilled spirits shall be eliminated immediately on the date of entry into force of this Agreement. Cost-of-service differential mark-ups as described in subparagraph (a) shall be permitted;

- (d) Any other discriminatory pricing measure shall be eliminated on the date of entry into force of this Agreement.
- 5.
 - (a) Any measure related to distribution of wine or distilled spirits of the other Party shall conform with Article C-01;
 - (b) Notwithstanding subparagraph (a), and provided that distribution measures otherwise ensure conformity with Article C-01, a Party may
 - (i) maintain or introduce a measure limiting on-premise sales by a winery or distillery to those wines or distilled spirits produced on its premises, and
 - (ii) maintain a measure requiring existing private wine store outlets in the provinces of Ontario and British Columbia to discriminate in favour of wine of those provinces to a degree no greater than the discrimination required by such existing measure;
 - (c) Nothing in this Agreement shall prohibit the Province of Quebec from requiring that any wine sold in grocery stores in Quebec be bottled in Quebec, provided that alternative outlets are provided in Quebec for the sale of wine of the other Party, whether or not such wine is bottled in Quebec.
- 6. Unless otherwise specifically provided in this Annex, the Parties retain their rights and obligations under the GATT 1994 and agreements negotiated under the WTO Agreement.
- 7. The Parties will refer issues related to this Annex to the Subcommittee on Agriculture established under Article C-15.
- 8. For purposes of this Annex: wine includes wine and wine-containing beverages.

Annex C-11

Geographical Indications

- 1. Immediately upon obtaining protection for the geographical indication Chilean Pisco ("Pisco Chileno") in Canada under the Trade-marks Act, Chile shall protect the geographical indication "Canadian Whisky" and shall not permit the import or sale of any product as "Canadian Whisky" unless it has been manufactured in Canada in accordance with the laws and regulations of Canada, governing the manufacture of "Canadian Whisky" for consumption in Canada.
- 2. Until Chile fully implements its obligations under the TRIPS Agreement, and in order to protect the "Canadian Whisky" referred to above, Chile shall prohibit the importation of any product marked "Canadian Whisky" unless that product is accompanied by a certification from the competent Canadian authority that the product complies with the Canadian requirements referred to in paragraph 1.

Annex C-17.1

Price Band System

The products covered by Law 18.525, in accordance with the Chilean tariff classification, are the following¹⁰ :

Wheat and Wheat Flour

1001.9000

1101.0000

Edible Vegetable Oils

1507.1000

1507.9000

1508.1000

1508.9000

1509.1000

1509.9000

1510.0000

1511.1000

1511.9000

1512.1110

1512.1120

1512.1910

1512.1920

1512.2100

1512.2900

1513.1100

1513.1900

1513.2100

1513.2900

1514.1000

1514.9000

1515.2100

1515.2900

1515.5000

1515.9000

Sugar

1701.1100

1701.1200

1701.9100

1701.9900

Annex C-00-A

Trade and Investment in the Automotive Sector

Canada

*Existing Measures*¹¹

1. Canada may maintain with the United States of America the Agreement Concerning Automotive Products between the Government of Canada and the Government of the United

States of America, signed at Johnson City, Texas, January 16, 1965 and entered into force on September 16, 1966, in accordance with Article 1001, and Article 1002(1) and (4) (as they refer to Annex 1002.1, Part One), and Annex 1002.1, Part One (Waivers of Customs Duties) of the Canada - United States Free Trade Agreement, which provisions are incorporated into and made a part of the NAFTA for such purpose.

2. For greater certainty, the differences in treatment pursuant to paragraph 1 shall not be considered to be inconsistent with Article G-03 (Investment - Most-Favoured-Nation Treatment).

Annex C-00-B

Textile and Apparel Goods

Section 1 – Scope and Coverage¹

1. This Annex applies to the textile and apparel goods set out in Appendix 1.1.
2. In the event of any inconsistency between this Agreement and the WTO Agreement on Textiles and Clothing or any other existing or future agreement applicable to trade in textile or apparel goods, this Agreement shall prevail to the extent of the inconsistency, unless the Parties agree otherwise.

Section 2 -- Duty -free Treatment of Certain Goods

The Parties may identify at any time particular textile and apparel goods that they mutually agree fall within:

- (a) hand-loomed fabrics of a cottage industry;
- (b) hand-made cottage industry goods made of such hand-loomed fabrics; or
- (c) traditional folklore handicraft goods.

The importing Party shall grant duty-free treatment to goods so identified, if certified by the competent authority of the exporting Party.

Section 3 – Bilateral Emergency Actions (Tariff Actions)²

1. Subject to paragraphs 2 through 5 and during the transition period only, if, as a result of the reduction or elimination of a duty provided for in this Agreement, a textile or apparel good originating in the territory of a Party, or a good that has been integrated into the WTO and entered under a tariff preference level set out in Appendix 5.1, is being imported into the territory of the other Party in such increased quantities, in absolute terms or relative to the domestic market for that good, and under such conditions as to cause serious damage, or actual threat thereof, to a domestic industry producing a like or directly competitive good, the importing Party may, to the minimum extent necessary to remedy the damage or actual threat thereof:

- (a) suspend the further reduction of any rate of duty provided for under this Agreement on the good; or
- (b) increase the rate of duty on the good to a level not to exceed the lesser of

- (i) the mostfavourednation (MFN) applied rate of duty in effect at the time the action is taken, and
 - (ii) the MFN applied rate of duty in effect on the day immediately preceding the date of entry into force of this Agreement.
- 2. In determining serious damage, or actual threat thereof, the Party:
 - (a) shall examine the effect of increased imports on the particular industry, as reflected in changes in such relevant economic variables as output, productivity, utilization of capacity, inventories, market share, exports, wages, employment, domestic prices, profits and investment, none of which is necessarily decisive; and
 - (b) shall not consider changes in technology or consumer preference as factors supporting a determination of serious damage or actual threat thereof.
- 3. A Party shall deliver without delay to the other Party written notice of its intent to take such action, and on request shall enter into consultations with that Party.
- 4. The following conditions and limitations apply to any emergency action taken under this Section:
 - (a) no action may be maintained for a period exceeding three years or, except with the consent of the Party against whose good the action is taken, have effect beyond the expiration of the transition period;
 - (b) no action may be taken by a Party against any particular good originating in the territory of the other Party more than once during the transition period; and
 - (c) on termination of the action, the rate of duty shall be the rate that, according to the Schedule for the staged elimination of the tariff, would have been in effect one year after the initiation of the action, and beginning January 1 of the year following the termination of the action, at the option of the Party that has taken the action
 - (i) the rate of duty shall conform to the applicable rate set out in that Party's Schedule to Annex C-02.2, or
 - (ii) the tariff shall be eliminated in equal annual stages ending on the date set out in that Party's Schedule to Annex C-02.2 for the elimination of the tariff.
- 5. The Party taking an action under this Section shall provide to the other Party mutually agreed trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the action. Such concessions shall be limited to the textile and apparel goods set out in Appendix 1.1, unless the Parties otherwise agree. If the Parties are unable to agree on compensation, the exporting Party may take tariff action having trade effects substantially equivalent to the action taken under this Section against any goods imported from the other Party. The Party taking the tariff action

shall only apply the action for the minimum period necessary to achieve the substantially equivalent effects.

Section 4 – Bilateral Emergency Actions (Quantitative Restrictions)

1. A Party may take bilateral emergency action against non-originating textile or apparel goods of the other Party in accordance with this Section and Appendix 4.1.

2. If a Party considers that a non-originating textile or apparel good, including a good entered under a tariff preference level set out in Appendix 5.1, is being imported into its territory from the other Party in such increased quantities, in absolute terms or relative to the domestic market for that good, under such conditions as to cause serious damage, or actual threat thereof, to a domestic industry producing a like or directly competitive good in the importing Party, the importing Party may request consultations with the other Party with a view to eliminating the serious damage or actual threat thereof.

3. The Party requesting consultations shall include in its request for consultations the reasons that it considers demonstrate that such serious damage or actual threat thereof to its domestic industry is resulting from the imports of the other Party, including the latest data concerning such damage or threat.

4. In determining serious damage, or actual threat thereof, the Party shall apply Section 3(2).

5. The Parties shall begin consultations within 60 days of the request for consultations and shall endeavour to agree on a mutually satisfactory level of restraint on exports of the particular good within 90 days of the request, unless the Parties agree to extend this period. In reaching a mutually satisfactory level of export restraint, the Parties shall:

- (a) consider the situation in the market in the importing Party;
- (b) consider the history of trade in textile and apparel goods between the Parties, including previous levels of trade; and
- (c) seek to ensure that the textile and apparel goods imported from the territory of the exporting Party are accorded equitable treatment as compared with treatment accorded like textile and apparel goods from non-Party suppliers.³

6. If the Parties do not agree on a mutually satisfactory level of export restraint, the Party requesting consultations may impose annual quantitative restrictions on imports of the good from the territory of the other Party, subject to paragraphs 7 through 13.

7. Any quantitative restriction imposed under paragraph 6 shall be no less than the sum of:

- (a) the quantity of the good imported into the territory of the Party requesting consultations from the other Party, as reported in general import statistics of the importing Party, during the first 12 of the most recent 14 months preceding the month in which the request for consultations was made; and
- (b) 20 per cent of such quantity for cotton, manmade fibre and other non-cotton vegetable fibre good categories, and six per cent for wool good categories.

8. The first period of any quantitative restriction imposed under paragraph 6 shall begin on the day after the date on which the request for consultations was made and terminate at the end of the calendar year in which the quantitative restriction is imposed. Any quantitative restriction that is imposed for a first period of less than 12 months shall be prorated to correspond to the time remaining in the calendar year in which the restriction is imposed, and the prorated amount may be adjusted in accordance with the flexibility provisions set out in Appendix 4.1.

9. For each successive calendar year that the quantitative restriction imposed under paragraph 6 remains in effect, the Party imposing it shall:

- (a) increase it by six per cent for cotton, man-made fibre and non-cotton vegetable fibre textile and apparel goods, and by two per cent for wool textile and apparel goods, and
- (b) accelerate the growth rate for quantitative restrictions on cotton, man-made fibre and noncotton vegetable fibre textile and apparel goods as required by the WTO Agreement on Textiles and Clothing, and the flexibility provisions set out in Appendix 4.1 apply.

10. A quantitative restriction imposed under paragraph 6 before July 1 in any calendar year may remain in effect for the remainder of that year, plus two additional calendar years. Such a restriction imposed on or after July 1 in any calendar year may remain in effect for the remainder of that year, plus three additional calendar years. No such restriction may remain in effect beyond the transition period.

11. Neither Party may take an emergency action under this Section with respect to any particular textile or apparel non-originating good against which a quantitative restriction is in effect.

12. Neither Party may adopt or maintain a quantitative restriction under this Section on a particular textile or apparel good that otherwise would be permitted under this Annex, if that Party is required to eliminate such measure under the WTO Agreement on Textiles and Clothing.

13. Neither Party may take a bilateral emergency action after the expiration of the transition period with respect to cases of serious damage, or actual threat thereof, to domestic industry arising from the operation of this Agreement except with the consent of the other Party.

Section 5 – Special Provisions

Appendix 5.1 sets out special provisions applicable to certain textile and apparel goods.

Section 6: Definitions

For purposes of this Annex:

average yarn number, as applied to woven fabrics of cotton or man-made fibres, means the average yarn number of the yarns contained therein. In computing the average yarn number, the length of the yarn is considered to be equal to the distance covered by it in the fabric, with all clipped yarn being measured as if continuous and with the count being taken of the total single yarns in the fabric including the single yarns in any multiple

(folded) or cabled yarns. The weight shall be taken after any excessive sizing is removed by boiling or other suitable process. Any of the following formulas can be used to determine the average yarn number:

$$N = \frac{BYT}{1,000}, \quad \frac{100T}{Z}, \quad \frac{BT}{Z} \quad \text{or} \quad \frac{ST}{10}$$

when:

N is the average yarn number,
 B is the breadth (width) of the fabric in centimetres,
 Y is the metres (linear) of the fabric per kilogram,
 T is the total single yarns per square centimetre,
 S is the square metres of fabric per kilogram,
 Z is the grams per linear metre of fabric, and
 Z' is the grams per square metre of fabric.

Fractions in the resulting "average yarn number" shall be disregarded;

exporting Party means the Party from whose territory a textile or apparel good is exported;

flexibility provisions means the provisions set out in Appendix 4.1;

importing Party means the Party into whose territory a textile or apparel good is imported;

integrated into the WTO means subject to the obligations of the WTO Agreement;

product category means a grouping of textile or apparel goods defined in the Correlation: Textile and Apparel Categories with the Harmonized Tariff Schedule of the United States, 1995 (or successor publication), published by the United States Department of Commerce, International Trade Administration, Office of Textiles and Apparel, Trade and Data Division, Washington, D.C.;

specific limit means a level of exports for a particular textile or apparel good that may be adjusted in accordance with Appendix 4.1;

square metres equivalent (SME) means that unit of measurement that results from the application of the conversion factors set out in Appendix 5.2 to a primary unit of measure such as unit, dozen or kilogram;

tariff preference level (TPL) means a mechanism that provides for the application of a customs duty at a preferential rate to imports of a particular good up to a specified quantity, and at a different rate to imports of that good that exceed that quantity;

transition period means the six-year period beginning on the date of entry into force of this Agreement;

wool apparel means:

- (a) apparel in chief weight of wool;
- (b) woven apparel in chief weight of manmade fibres containing 36 per cent or more by weight of wool; and
- (c) knitted or crocheted apparel in chief weight of manmade fibres containing 23 per cent or more by weight of wool;

wool fabric means:

- (a) fabric in chief weight of wool;
- (b) woven fabric in chief weight of man-made fibres containing 36 per cent or more by weight of wool; and
- (c) knitted or crocheted fabric in chief weight of man-made fibres containing 23 per cent or more by weight of wool; and

WTO Agreement on Textiles and Clothing means the Agreement on Textiles and Clothing which is part of the WTO Agreement.

Appendix 1.1

List of Goods Covered by Annex C-00-B

Note: For purposes of reference only, descriptions are provided next to the corresponding item. For legal purposes, coverage shall be determined according to the terms of the Harmonized System.

HS No.	Description
Chapter 30 Pharmaceutical Products	
3005.90	Wadding, gauze, bandages and the like
Chapter 39 Plastics and articles thereof	
ex 3921.12	(Woven, knitted or non-woven fabric coated, covered or laminated with plastics)
ex 3921.13	
ex 3921.90	
Chapter 42 Articles of leather; saddlery and harness; travel goods, handbags and similar containers	
ex 4202.12	(Luggage, handbags and flatgoods with an outer surface predominantly of textile materials)
ex 4202.22	
ex 4202.32	
ex 4202.92	
Chapter 50 Silk	
5004.00	Silk yarn (other than yarn spun from silk waste) not for retail sale

5005.00	Yarn spun from silk waste, not for retail sale
5006.00	Silk yarn and yarn spun from silk waste, for retail sale; silk-worm gut
5007.10	Woven fabric of noil silk
5007.20	Woven fabric of silk or silk waste, other than noil silk, 85% or more of such fibres
5007.90	Woven fabric of silk, nes

Chapter 51 Wool, fine or coarse animal hair, horsehair yarn and fabric

5105.10	Carded wool
5105.21	Combed wool in fragments
5105.29	Wool tops and other combed wool, other than combed wool in fragments
5105.30	Fine animal hair, carded or combed
5106.10	Yarn of carded wool, ³ 85% wool, not for retail sale
5106.20	Yarn of carded, wool, <85% wool, not for retail sale
5107.10	Yarn of combed wool, ³ 85% wool, not for retail sale
5107.20	Yarn of combed wool, <85% wool, not for retail sale
5108.10	Yarn of carded fine animal hair, not for retail sale
5108.20	Yarn of combed fine animal hair, not for retail sale
5109.10	Yarn of wool or of fine animal hair, ³ 85% wool and fine animal hair, for retail sale
5109.90	Yarn of wool/of fine animal hair, <85% wool and fine animal hair, for retail sale
5110.00	Yarn of coarse animal hair or of horsehair
5111.11	Woven fabric of carded wool or fine animal hair, ³ 85% wool and fine animal hair, ² 300 g/m ²
5111.19	Woven fabric of carded wool or fine animal hair, ³ 85% wool or fine animal hair, >300 g/m ²
5111.20	Woven fabric of carded wool or fine animal hair, <85% wool or fine animal hair, with man-made fibres
5111.30	Woven fabric of carded wool or fine animal hair, <85% wool or fine animal hair, with man-made fibres
5111.90	Woven fabric of carded wool or fine animal hair, <85% wool or fine animal hair, nes
5112.11	Woven fabric of combed wool or fine animal hair, ³ 85% wool or fine animal hair, ² 200 g/m ²
5112.19	Woven fabric of combed wool or fine animal hair, ³ 85% wool or fine animal hair, >200 g/m ²
5112.20	Woven fabric of combed wool or fine animal hair, <85% wool or fine animal hair, with man-made filament
5112.30	Woven fabric of combed wool or fine animal hair, <85% wool or fine animal hair, with man-made fibres
5112.90	Woven fabric of combed wool or fine animal hair, <85% wool or fine animal hair, nes
5113.00	Woven fabric of coarse animal hair or of horsehair

Chapter 52 Cotton

5203.00	Cotton, carded or combed
5204.11	Cotton sewing thread ³ 85% cotton, not for retail sale
5204.19	Cotton sewing thread, <85% cotton, not for retail sale
5204.20	Cotton sewing thread, for retail sale

5205.11	Cotton yarn, ³ 85% cotton, single, uncombed, ³ 714.29 decitex, not for retail sale
5205.12	Cotton yarn, ³ 85% cotton, single, uncombed, 714.29 >decitex ³ 232.56, not for retail sale
5205.13	Cotton yarn, ³ 85% cotton, single, uncombed, 232.56>decitex ³ 192.31, not for retail sale
5205.14	Cotton yarn, ³ 85% cotton, single, uncombed, 192.31 >decitex ³ 125, not for retail sale
5205.15	Cotton yarn, ³ 85% cotton, single, uncombed, <125 decitex, not for retail sale
5205.21	Cotton yarn, ³ 85% cotton, single, combed, ³ 714.29, not for retail sale
5205.22	Cotton yarn, ³ 85% cotton, single, combed, 714.29 >decitex ³ 232.56, not for retail sale
5205.23	Cotton yarn, ³ 85% cotton, single, combed, 232.56 >decitex ³ 192.31, not for retail sale
5205.24	Cotton yarn, ³ 85% cotton, single, combed, 192.31 >decitex ³ 125, not for retail sale
5205.26	Cotton yarn, ³ 85% cotton, single, combed, 125 >decitex ³ 106.38, not for retail sale
5205.27	Cotton yarn, ³ 85% cotton, single, combed, 106.38 >decitex ³ 83.33, not for retail sale
5205.28	Cotton yarn, ³ 85% cotton, single, combed, <83.33 decitex, not for retail sale
5205.31	Cotton yarn, ³ 85% cotton, multiple, uncombed, ³ 714.29 decitex, not for retail sale, nes
5205.32	Cotton yarn, ³ 85% cotton, multiple, uncombed, 714.29 >decitex ³ 232.56, not for retail sale, nes
5205.33	Cotton yarn, ³ 85% cotton, multiple, uncombed, 232.56 >decitex ³ 192.31, not for retail sale, nes
5205.34	Cotton yarn, ³ 85% cotton, multiple, uncombed, 192.31 >decitex ³ 125, not for retail sale, nes
5205.35	Cotton yarn, ³ 85% cotton, multiple, uncombed, <125 decitex, not for retail sale, nes
5205.41	Cotton yarn, ³ 85% cotton, multiple, combed, ³ 714.29 decitex, not for retail sale, nes
5205.42	Cotton yarn, ³ 85% cotton, multiple, combed, 714.29 >decitex ³ 232.56, not for retail sale, nes
5205.43	Cotton yarn, ³ 85% cotton, multiple, combed, 232.56 >decitex ³ 192.31, not for retail sale, nes
5205.44	Cotton yarn, ³ 85% cotton, multiple, combed, 192.31 >decitex ³ 125, not for retail sale, nes
5205.46	Cotton yarn, ³ 85% cotton, multiple, combed, 125 >decitex ³ 106.38, not for retail sale, nes
5205.47	Cotton yarn, ³ 85% cotton, multiple, combed, 106.38 >decitex ³ 83.33, not for retail sale, nes
5205.48	Cotton yarn, <85% cotton, single, uncombed, <83.33 decitex, not for retail sale
5206.11	Cotton yarn, <85% cotton, single, uncombed, ³ 714.29, not for retail sale
5206.12	Cotton yarn, <85% cotton, single, uncombed, 714.29 >decitex ³ 232.56, not for retail sale

5206.13	Cotton yarn, <85% cotton, single, uncombed, 232.56 >decitex ³ 192.31, not for retail sale
5206.14	Cotton yarn, <85% cotton, single, uncombed, 192.31 >decitex ³ 125, not for retail sale
5206.15	Cotton yarn, <85% cotton, single, uncombed, <125 decitex, not for retail sale
5206.21	Cotton yarn, <85% cotton, single, combed, ³ 714.29 decitex, not for retail sale
5206.22	Cotton yarn, <85% cotton, single, combed, 714.29 >decitex ³ 232.56, not for retail sale
5206.23	Cotton yarn, <85% cotton, single, combed, 232.56 >decitex ³ 192.31, not for retail sale
5206.24	Cotton yarn, <85% cotton, single, combed, 192.31 >decitex ³ 125, not for retail sale
5206.25	Cotton yarn, <85% cotton, single, combed, <125 decitex, not for retail sale
5206.31	Cotton yarn, <85% cotton, multiple, uncombed, ³ 714.29, not for retail sale, nes
5206.32	Cotton yarn, <85% cotton, multiple, uncombed, 714.29 >decitex ³ 232.56, not for retail sale, nes
5206.33	Cotton yarn, <85% cotton, multiple, uncombed, 232.56 >decitex ³ 192.31, not for retail sale, nes
5206.34	Cotton yarn, <85% cotton, multiple, uncombed, 192.31 >decitex ³ 125, not for retail sale, nes
5206.35	Cotton yarn, <85% cotton, multiple, uncombed, <125 decitex, not for retail sale, nes
5206.41	Cotton yarn, <85% cotton, multiple, combed, ³ 714.29, not for retail sale, nes
5206.42	Cotton yarn, <85% cotton, multiple, combed, 714.29 >decitex ³ 232.56, not for retail sale, nes
5206.43	Cotton yarn, <85% cotton, multiple, combed, 232.56 >decitex ³ 192.31, not for retail sale, nes
5206.44	Cotton yarn, <85% cotton, multiple, combed, 192.31 >decitex ³ 125, not for retail sale, nes
5206.45	Cotton yarn, <85% cotton, multiple, combed, <125 decitex, not for retail sale, nes
5207.10	Cotton yarn (other than sewing thread) ³ 85% cotton, for retail sale
5207.90	Cotton yarn (other than sewing thread) <85% cotton, for retail sale
5208.11	Plain weave cotton fabric, ² 85% cotton, ² 100g/m ² , unbleached
5208.12	Plain weave cotton fabric, ² 85% cotton, >100g/m ² , ² 200g/m ² , unbleached
5208.13	Twill weave cotton fabric, ³ 85% cotton, ² 200g/m ² , unbleached
5208.19	Woven fabric of cotton, ³ 85% cotton, ² 200g/m ² , unbleached, nes
5208.21	Plain weave cotton fabric, ³ 85% cotton, ² 100g/m ² , bleached
5208.22	Plain weave cotton fabric, ³ 85% cotton, >100g/m ² , ² 200g/m ² , bleached
5208.23	Twill weave cotton fabric, ³ 85% cotton, ² 200g/m ² , bleached
5208.29	Woven fabric of cotton, ³ 85% cotton, ² 200g/m ² , bleached, nes
5208.31	Plain weave cotton fabric, ³ 85% cotton, ² 100g/m ² , dyed
5208.32	Plain weave cotton fabric, ³ 85% cotton, >100g/m ² , ² 200g/m ² , dyed
5208.33	Twill weave cotton fabric, ³ 85% cotton, ² 200g/m ² , dyed
5208.39	Woven fabric of cotton, ³ 85% cotton, ² 200g/m ² , dyed, nes

5208.41	Plain weave cotton fabric, ³ 85% cotton, ² 100g/m ² , yarn dyed
5208.42	Plain weave cotton fabric, ³ 85% cotton, >100g/m ² , ² 200 g/m ² , yarn dyed
5208.43	Twill weave cotton fabric, ³ 85% cotton, ² 200g/m ² , yarn dyed
5208.49	Woven fabric of cotton, ³ 85% cotton, ² 200g/m ² , yarn dyed, nes
5208.51	Plain weave cotton fabric, ³ 85% cotton, ² 100g/m ² , printed
5208.52	Plain weave cotton fabric, ³ 85% cotton, >100g/m ² , ² 200 g/m ² , printed
5208.53	Twill weave cotton fabric, ³ 85% cotton, ² 200g/m ² , printed
5208.59	Woven fabric of cotton, ³ 85% cotton, ² 200g/m ² , printed, nes
5209.11	Plain weave cotton fabric, ³ 85% cotton, >200g/m ² , unbleached
5209.12	Twill weave cotton fabric, ³ 85% cotton, >200g/m ² , unbleached
5209.19	Woven fabric of cotton, ³ 85% cotton, >200g/m ² , unbleached, nes
5209.21	Plain weave cotton fabric, ³ 85% cotton, >200g/m ² , bleached
5209.22	Twill weave cotton fabric, ³ 85% cotton, >200g/m ² , bleached
5209.29	Woven fabric of cotton, ³ 85% cotton, >200g/m ² , bleached, nes
5209.31	Plain weave cotton fabric, ³ 85% cotton, >200g/m ² , dyed
5209.32	Twill weave cotton fabric, ³ 85% cotton, >200g/m ² , dyed
5209.39	Woven fabric of cotton, ³ 85% cotton, >200g/m ² , dyed, nes
5209.41	Plain weave cotton fabric, ³ 85% cotton, >200g/m ² , yarn dyed
5209.42	Blue denim fabric of cotton, ³ 85% cotton, >200g/m ²
5209.43	Twill weave cotton fabric, other than denim, ³ 85% cotton, >200g/m ² , yarn dyed
5209.49	Woven fabric of cotton, ³ 85% cotton, >200g/m ² , yarn dyed, nes
5209.51	Plain weave cotton fabric, ³ 85% cotton, >200g/m ² , printed
5209.52	Twill weave cotton fabric, ³ 85% cotton, >200g/m ² , printed
5209.59	Woven fabric of cotton, ³ 85% cotton, >200g/m ² , printed, nes
5210.11	Plain weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , unbleached
5210.12	Twill weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , unbleached
5210.19	Woven fabric of cotton, <85% cotton, with man-made fibre, ² 200g/m ² , unbleached, nes
5210.21	Plain weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , bleached
5210.22	Twill weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , bleached
5210.29	Woven fabric of cotton, <85% cotton, with man-made fibre, ² 200g/m ² , bleached, nes
5210.31	Plain weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , dyed
5210.32	Twill weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , dyed
5210.39	Woven fabric of cotton, <85% cotton, with man-made fibre, ² 200g/m ² , dyed, nes
5210.41	Plain weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , yarn dyed
5210.42	Twill weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , yarn dyed
5210.49	Woven fabric of cotton, <85% cotton, with man-made fibre, ² 200g/m ² , yarn dyed, nes
5210.51	Plain weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , printed

5210.52	Twill weave cotton fabric, <85% cotton, with man-made fibre, ² 200g/m ² , printed
5210.59	Woven fabric of cotton, <85% cotton, with man-made fibre, ² 200g/m ² , printed, nes
5211.11	Plain weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , unbleached
5211.12	Twill weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , unbleached
5211.19	Woven fabric of cotton, <85% cotton, with man-made fibre, >200g/m ² , unbleached, nes
5211.21	Plain weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , bleached
5211.22	Twill weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , bleached
5211.29	Woven fabric of cotton, <85% cotton, with man-made fibre, >200g/m ² , bleached, nes
5211.31	Plain weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , dyed
5211.32	Twill weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , dyed
5211.39	Woven fabric of cotton, <85% cotton, with man-made fibre, >200g/m ² , dyed, nes
5211.41	Plain weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , yarn dyed
5211.42	Blue denim fabric of cotton, <85% cotton, with man-made fibre, >200g/m ²
5211.43	Twill weave cotton fabric, other than denim, <85% cotton, with man-made fibre, >200g/m ² , yarn dyed
5211.49	Woven fabric of cotton, <85% cotton, with man-made fibre, >200g/m ² , yarn dyed, nes
5211.51	Plain weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , printed
5211.52	Twill weave cotton fabric, <85% cotton, with man-made fibre, >200g/m ² , printed
5211.59	Woven fabric of cotton, <85% cotton, with man-made fibre, >200g/m ² , printed, nes
5212.11	Woven fabric of cotton, weighing ² 200g/m ² , unbleached, nes
5212.12	Woven fabric of cotton, weighing ² 200g/m ² , bleached, nes
5212.13	Woven fabric of cotton, weighing ² 200g/m ² , dyed, nes
5212.14	Woven fabric of cotton, ² 200g/m ² , of yarns of different colours, nes
5212.15	Woven fabric of cotton, weighing ² 200g/m ² , printed, nes
5212.21	Woven fabric of cotton, weighing >200g/m ² , unbleached, nes
5212.22	Woven fabric of cotton, weighing >200g/m ² , bleached, nes
5212.23	Woven fabric of cotton, weighing >200g/m ² , dyed, nes
5212.24	Woven fabric of cotton, >200g/m ² , of yarns of different colours, nes
5212.25	Woven fabric of cotton, weighing >200g/m ² , printed, nes

Chapter 53 Other vegetable textile fibres; paper yarn and woven fabric of paper yarn

5306.10	Flax yarn, single
5306.20	Flax yarn, multiple
5307.10	Yarn of jute or of other textile bast fibres, single

5307.20	Yarn of jute or other textile bast fibres, multiple
5308.20	True hemp yarn
5308.90	Yarn of other vegetable textile fibres
5309.11	Woven fabric, ³ 85% flax, unbleached or bleached
5309.19	Woven fabric, ³ 85% flax, other than unbleached or bleached
5309.21	Woven fabric of flax, <85% flax, unbleached or bleached
5309.29	Woven fabric of flax, <85% flax, other than unbleached or bleached
5310.10	Woven fabric of jute or of other textile bast fibres, unbleached
5310.90	Woven fabric of jute or of other textile bast fibres, other than unbleached
5311.00	Woven fabric of other vegetable textile fibres; woven fabric of paper yarn

Chapter 54 Man-made filaments

5401.10	Sewing thread of synthetic filaments
5401.20	Sewing thread of artificial filaments
5402.10	High tenacity yarn (other than sewing thread), nylon or other polyamide fibre, not for retail sale
5402.20	High tenacity yarn (other than sewing thread), of polyester filaments, not for retail sale
5402.31	Textured yarn nes, of nylon or other polyamide fibre, ² 50 tex/single yarn, not for retail sale
5402.32	Textured yarn nes, of nylon or other polyamide fibre,>50 tex/single yarn, not for retail sale
5402.33	Textured yarn nes, of polyester filaments, not for retail sale
5402.39	Textured yarn of synthetic filaments, nes, not for retail sale
5402.41	Yarn of nylon or other polyamide fibre, single, untwisted, nes, not for retail sale
5402.42	Yarn of polyester filaments, partially oriented, single, nes, not for retail sale
5402.43	Yarn of polyester filaments, single, untwisted, nes, not for retail sale
5402.49	Yarn of synthetic filaments, single, untwisted, nes, not for retail sale
5402.51	Yarn of nylon or other polyamide fibre, single, >50 turns per metre, not for retail sale
5402.52	Yarn of polyester filaments, single, >50 turns per metre, not for retail sale
5402.59	Yarn of synthetic filaments, single, >50 turns per metre, nes, not for retail sale
5402.61	Yarn of nylon or other polyamide fibre, multiple, nes, not for retail sale
5402.62	Yarn of polyester filaments, multiple, nes, not for retail sale
5402.69	Yarn of synthetic filaments, multiple, nes, not for retail sale
5403.10	High tenacity yarn (other than sewing thread), of viscose rayon filaments, not for retail sale
5403.20	Textured yarn nes, of artificial filaments, not for retail sale
5403.31	Yarn of viscose rayon filaments, single, untwisted, nes, not for retail sale
5403.32	Yarn of viscose rayon filaments, single, >120 turns per metre, nes, not for retail sale
5403.33	Yarn of cellulose acetate filaments, single, nes, not for retail sale
5403.39	Yarn of artificial filaments, single, nes, not for retail sale
5403.41	Yarn of viscose rayon filaments, multiple, nes, not for retail sale
5403.42	Yarn of cellulose acetate filaments, multiple, nes, not for retail sale
5403.49	Yarn of artificial filaments, multiple, nes, not for retail sale

5404.10	Synthetic monofilament, ³ 67 decitex, no cross sectional dimension >1 mm
5404.90	Strip and the like of synthetic textile material of an apparent width ² 5mm
5405.00	Artificial monofil, 67 decitex, cross sectional dimension >1mm; strip of art. tex. mat. width ² 5mm
5406.10	Yarn of synthetic filaments (other than sewing thread), for retail sale
5406.20	Yarn of artificial filaments (other than sewing thread), for retail sale
5407.10	Woven fabric of high tenacity filament yarn of nylon or other polyamides, or polyester
5407.20	Woven fabric obtained from strip or the like of synthetic textile materials
5407.30	Fabric specified in Note 9 Section XI (layers of parallel synthetic textile yarn)
5407.41	Woven fabric, ³ 85% nylon or other polyamide filaments, unbleached or bleached, nes
5407.42	Woven fabric, ³ 85% nylon or other polyamide filaments, dyed, nes
5407.43	Woven fabric, ³ 85% nylon or other polyamide filaments, yarn dyed, nes
5407.44	Woven fabric, ³ 85% nylon or other polyamide filaments, printed, nes
5407.51	Woven fabric, ³ 85% textured polyester filaments, unbleached or bleached, nes
5407.52	Woven fabric, ³ 85% textured polyester filaments, dyed, nes
5407.53	Woven fabric, ³ 85% textured polyester filaments, yarn dyed, nes
5407.54	Woven fabric, ³ 85% textured polyester filaments, printed, nes
5407.61	Woven fabric, ³ 85% non-textured polyester filaments, nes
5407.69	Woven fabric, ³ 85% other polyester filaments, nes
5407.71	Woven fabric, ³ 85% synthetic filaments, unbleached or bleached, nes
5407.72	Woven fabric, ³ 85% synthetic filaments, dyed, nes
5407.73	Woven fabric, ³ 85% synthetic filaments, yarn dyed, nes
5407.74	Woven fabric, ³ 85% synthetic filaments, printed, nes
5407.81	Woven fabric of synthetic filaments, <85% syn. filaments, with cotton, unbl or bl, nes
5407.82	Woven fabric of synthetic filaments, <85% with cotton, dyed, nes
5407.83	Woven fabric of synthetic filaments, <85% with cotton, yarn dyed, nes
5407.84	Woven fabric of synthetic filaments, <85% with cotton, printed, nes
5407.91	Woven fabric of synthetic filaments, unbleached or bleached, nes
5407.92	Woven fabric of synthetic filaments, dyed, nes
5407.93	Woven fabric of synthetic filaments, yarn dyed, nes
5407.94	Woven fabric of synthetic filaments, printed, nes
5408.10	Woven fabric of high tenacity filament yarn of viscose rayon
5408.21	Woven fabric, ³ 85% artificial filament or strip, unbleached or bleached, nes
5408.22	Woven fabric, ³ 85% artificial filament or strip, dyed, nes
5408.23	Woven fabric, ³ 85% artificial filament or strip, yarn dyed, nes
5408.24	Woven fabric, ³ 85% artificial filament or strip, printed, nes
5408.31	Woven fabric of artificial filaments, unbleached or bleached, nes
5408.32	Woven fabric of artificial filaments, dyed, nes
5408.33	Woven fabric of artificial filaments, yarn dyed, nes
5408.34	Woven fabric of artificial filaments, printed, nes

Chapter 55 Man-made staple fibres

5501.10	Filament tow of nylon or other polyamides
5501.20	Filament tow of polyesters

5501.30	Filament tow of acrylic or modacrylic
5501.90	Synthetic filament tow, nes
5502.00	Artificial filament tow
5503.10	Staple fibres of nylon or other polyamides, not carded or combed
5503.20	Staple fibres of polyesters, not carded or combed
5503.30	Staple fibres of acrylic or modacrylic, not carded or combed
5503.40	Staple fibres of polypropylene, not carded or combed
5503.90	Synthetic staple fibres, not carded or combed, nes
5504.10	Staple fibres of viscose, not carded or combed
5504.90	Artificial staple fibres, other than viscose, not carded or combed
5505.10	Waste of synthetic fibres
5505.20	Waste of artificial fibres
5506.10	Staple fibres of nylon or other polyamides, carded or combed
5506.20	Staple fibres of polyesters, carded or combed
5506.30	Staple fibres of acrylic or modacrylic, carded or combed
5506.90	Synthetic staple fibres, carded or combed, nes
5507.00	Artificial staple fibres, carded or combed
5508.10	Sewing thread of synthetic staple fibres
5508.20	Sewing thread of artificial staple fibres
5509.11	Yarn, 385% nylon or other polyamide staple fibres, single, not for retail sale
5509.12	Yarn, 385% nylon or other polyamide staple fibres, multiple, not for retail sale, nes
5509.21	Yarn, 385% of polyester staple fibres, single, not for retail sale
5509.22	Yarn, 385% of polyester staple fibres, multiple, not for retail sale, nes
5509.31	Yarn, 385% of acrylic or modacrylic staple fibres, single, not for retail sale
5509.32	Yarn, 385% acrylic/modacrylic staple fibres, multiple, not for retail sale, nes
5509.41	Yarn, 385% of other synthetic staple fibres, single, not for retail sale
5509.42	Yarn, 385% of other synthetic staple fibres, multiple, not for retail sale, nes
5509.51	Yarn of polyester staple fibres mixed with artificial staple fibre, not for retail sale, nes
5509.52	Yarn of polyester staple fibre mixed with wool or fine animal hair, not for retail sale, nes
5509.53	Yarn of polyester staple fibres mixed with cotton, not for retail sale, nes
5509.59	Yarn of polyester staple fibres, not for retail sale, nes
5509.61	Yarn of acrylic staple fibre mixed with wool or fine animal hair, not for retail sale, nes
5509.62	Yarn of acrylic staple fibres mixed with cotton, not for retail sale, nes
5509.69	Yarn of acrylic staple fibres, not for retail sale, nes
5509.91	Yarn of other synthetic staple fibres mixed with wool or fine animal hair, not for retail sale, nes
5509.92	Yarn of other synthetic staple fibres mixed with cotton, not for retail sale, nes
5509.99	Yarn of other synthetic staple fibres, not for retail sale, nes
5510.11	Yarn, 385% of artificial staple fibres, single, not for retail sale
5510.12	Yarn, 385% of artificial staple fibres, multiple, not for retail sale, nes
5510.20	Yarn of artificial staple fibre mixed with wool/fine animal hair, not for retail sale, nes

5510.30	Yarn of artificial staple fibres mixed with cotton, not for retail sale, nes
5510.90	Yarn of artificial staple fibres, not for retail sale, nes
5511.10	Yarn, 385% of synthetic staple fibres, other than sewing thread, for retail sale
5511.20	Yarn, <85% of synthetic staple fibres, for retail sale, nes
5511.30	Yarn of artificial fibres (other than sewing thread), for retail sale
5512.11	Woven fabric, 385% of polyester staple fibres, unbleached or bleached
5512.19	Woven fabric, 385% of polyester staple fibres, other than unbleached or bleached
5512.21	Woven fabric, 385% of acrylic staple fibres, unbleached or bleached
5512.29	Woven fabric, 385% of acrylic staple fibres, other than unbleached or bleached
5512.91	Woven fabric, 385% of other synthetic staple fibres, unbleached or bleached
5512.99	Woven fabric, 385% of other synthetic staple fibres, other than unbleached or bleached
5513.11	Plain weave polyester fabric, <85% syn stple fibre, with cot, 2170g/m2, unbl or bl
5513.12	Twill weave polyester staple fibre fabric, <85% syn. staple fibre, with cotton, 2170g/m2, unbl or bl
5513.13	Woven polyester fabric, <85% synthetic stple fibre, with cotton, 2170g/m2, unbl or bl, nes
5513.19	Woven fabric of other synthetic staple fibre, <85% syn. stpl fib, with cotton, 2170g/m2, unbl or bl
5513.21	Plain weave polyester staple fibre fabric, <85% synthetic staple fibre, with cotton, 2170g/m2, dyed
5513.22	Twill weave polyester staple fibre fabric, <85% synthetic staple fibre, with cotton, 2170g/m2, dyed
5513.23	Woven fabric of polyester staple fibre, <85% syn. staple fibre, with cotton, 2170g/m2, dyed, nes
5513.29	Woven fabric of other synthetic staple fibre, <85% syn. staple fibre, with cotton, 2170g/m2, dyed
5513.31	Plain weave polyester staple fibre fabric, <85% syn. staple fibre, with cotton, 2170g/m2, yarn dyed
5513.32	Twill weave polyester staple fibre fabric, <85% syn. staple fibre, with cotton, 2170g/m2, yarn dyed
5513.33	Woven fabric of polyester staple fibre, <85% syn. staple fibre, with cotton, 2170g/m2, dyed nes
5513.39	Woven fabric of other synthetic staple fibre, <85% syn. staple fibre, with cotton, 2170g/m2, yarn dyed
5513.41	Plain weave polyester staple fibre fabric, <85% syn. stpl fibre, with cotton, 2170g/m2, printed
5513.42	Twill weave polyester staple fibre fabric, <85% syn. staple fibre, with cotton, 2170g/m2, printed
5513.43	Woven fabric of polyester staple fibre, <85% syn staple fibre, with cotton, 2170g/m2, printed, nes
5513.49	Woven fabric of other synthetic staple fibre, <85% syn. staple fibre, with cotton, 2170g/m2, printed
5514.11	Plain weave polyester staple fibre fabric, <85% syn. staple fibre, with cotton, >170g/m2, unbl or bl

5514.12	Twill weave polyester staple fibre fabric, <85% syn. staple fibre, with cotton, >170g/m2, unbl or bl
5514.13	Woven fabric of polyester staple fibre, <85% syn. stpl fibre, with cotton, >170g/m2, unbl or bl, nes
5514.19	Woven fabric of other synthetic staple fibre, <85% syn stpl. fib, with cotton, >170g/m2, unbl or bl
5514.21	Plain weave polyester staple fibre fabric, <85% syn staple fibre, with cotton, >170g/m2, dyed
5514.22	Twill weave polyester staple fibre fabric, <85% synthetic staple fibre, with cotton, >170g/m2, dyed
5514.23	Woven fabric of polyester staple fibre, <85% synthetic staple fibre, with cotton, >170g/m2, dyed
5514.29	Woven fabric of other synthetic staple fibre, <85% synthetic staple fibre, with cotton, >170g/m2, dyed
5514.31	Plain weave polyester staple fibre fabric, <85% syn. staple fibre, with cotton, >170g/m2, yarn dyed
5514.32	Twill weave polyester staple fibre fabric, <85% mixed with cotton, >170g/m2, yarn dyed
5514.33	Woven fabric of polyester staple fibre, <85% syn. staple fibre, with cotton, >170g/m2, yarn dyed nes
5514.39	Woven fabric of other synthetic staple fibre, <85% syn. stpl fibre, with cotton, >170g/m2, yarn dyed
5514.41	Plain weave polyester staple fibre fabric, <85% synthetic staple fibre, with cotton, >170g/m2, printed
5514.42	Twill weave polyester staple fibre fabric, <85% synthetic staple fibre, with cotton, >170g/m2, printed
5514.43	Woven fabric of polyester staple fibres <85% syn. staple fibre, with cotton, >170g/m2, printed, nes
5514.49	Woven fabric of other synthetic staple fibre, <85% syn. staple fibre, with cotton, >170g/m2, printed
5515.11	Woven fabric of polyester staple fibre, with viscose rayon staple fibre, nes
5515.12	Woven fabric of polyester staple fibre, with man-made filaments, nes
5515.13	Woven fabric of polyester staple fibre, with wool or fine animal hair, nes
5515.19	Woven fabric of polyester staple fibre, nes
5515.21	Woven fabric of acrylic staple fibre, with man-made filaments, nes
5515.22	Woven fabric of acrylic staple fibre, with wool or fine animal hair, nes
5515.29	Woven fabric of acrylic or modacrylic staple fibres, nes
5515.91	Woven fabric of other synthetic staple fibre, with man-made filaments, nes
5515.92	Woven fabric of other synthetic staple fibre, with wool or fine animal hair, nes
5515.99	Woven fabric of synthetic staple fibres, nes
5516.11	Woven fabric, 385% artificial staple fibre, unbleached or bleached
5516.12	Woven fabric, 385% artificial staple fibre, dyed
5516.13	Woven fabric, 385% artificial staple fibre, yarn dyed
5516.14	Woven fabric, 385% artificial staple fibre, printed
5516.21	Woven fabric of artificial staple fibre, <85% artificial staple fibre, with man-made fib, unbl or bl
5516.22	Woven fabric of artificial staple fibre, <85% artificial staple fibre, with man-made fib, dyed

5516.23	Woven fabric of artificial staple fibre, <85% artificial staple fibre, with man-made fib, yarn dyed
5516.24	Woven fabric of artificial staple fibre, <85% artificial staple fibre, with man-made fib, printed
5516.31	Woven fabric of artificial staple fibre, <85% art stpl fibre, with wool/fine animal hair, unbl or bl
5516.32	Woven fabric of artificial staple fibre, <85% art staple fibre, mixed mainly or solely with wool/fine animal hair, dyed
5516.33	Woven fabric of artificial staple fibre, <85% art staple fibre, mixed mainly or solely with wool/fine animal hair, yarn dyed
5516.34	Woven fabric of artificial staple fibre, <85% art staple fibre, mixed mainly or solely with wool/fine animal hair, printed
5516.41	Woven fabric of artificial staple fibre, <85% artificial staple fibre, with cotton, unbl or bl
5516.42	Woven fabric of artificial staple fibre, <85% artificial staple fibre, with cotton, dyed
5516.43	Woven fabric of artificial staple fibre, <85% artificial staple fibre, with cotton, yarn dyed
5516.44	Woven fabric of artificial staple fibre, <85% artificial staple fibre, with cotton, printed
5516.91	Woven fabric of artificial staple fibre, unbleached or bleached, nes
5516.92	Woven fabric of artificial staple fibre, dyed, nes
5516.93	Woven fabric of artificial staple fibre, yarn dyed, nes
5516.94	Woven fabric of artificial staple fibre, printed, nes

Chapter 56 Wadding, felt and nonwovens; special yarns, twine, cordage, ropes and cables and articles thereof

5601.10	Sanitary articles of wadding of textile materials, including sanitary towels, tampons, and diapers
5601.21	Wadding of cotton and articles thereof, other than sanitary articles
5601.22	Wadding of man-made fibres and articles thereof, other than sanitary articles
5601.29	Wadding of other textile materials and articles thereof, other than sanitary articles
5601.30	Textile flock and dust and mill neps
5602.10	Needleloom felt and stitch-bonded fibre fabric
5602.21	Felt other than needleloom, of wool or fine animal hair, not impregnated, coated, covered or laminated
5602.29	Felt other than needleloom, of other textile materials, not impregnated, coated, covered or laminated
5602.90	Felt of textile materials, nes
5603.11	Nonwovens, whether or not impregnated, coated, covered or laminated, of man-made filaments, ² 25g/m ²
5603.12	Nonwovens, whether or not impregnated, coated, covered or laminated, of man-made filaments, >25g/m ² but ² 70g/m ²
5603.13	Nonwovens, whether or not impregnated, coated, covered or laminated, of man-made filaments, >70g/m ² but ² 150g/m ²
5603.14	Nonwovens, whether or not impregnated, coated, covered or laminated, of man-made filaments, >150g/m ²
5603.91	Nonwovens, whether or not impregnated, coated, covered or laminated, other, ² 25g/m ²

5603.92	Nonwovens, whether or not impregnated, coated, covered or laminated, other, >25g/m ² but ≤70g/m ²
5603.93	Nonwovens, whether or not impregnated, coated, covered or laminated, other, >70g/m ² but ≤150g/m ²
5603.94	Nonwovens, whether or not impregnated, coated, covered or laminated, other, >150g/m ²
5604.10	Rubber thread and cord, textile covered
5604.20	High tenacity yarn of polyester, nylon other polyamide, viscose rayon, impregnated or coated
5604.90	Textile yarn, strip, impregnated, coated, covered or sheathed with rubber or plastics
5605.00	Metallized yarn, being textile yarn combined with metal thread, strip, or powder
5606.00	Gimped yarns; chenille yarn; loop pile-yarn
5607.10	Twine, cordage, ropes and cables, of jute or other textile bast fibres
5607.21	Binder or baler twine, of sisal or other textile fibres of the genus Agave
5607.29	Twines, cordage, ropes and cables, of sisal textile fibres
5607.30	Twine, cordage, ropes and cables, of abaca or other hard (leaf) fibres
5607.41	Binder or baler twine, of polyethylene or polypropylene
5607.49	Twines, cordage, ropes and cables, of polyethylene or polypropylene
5607.50	Twine, cordage, ropes and cables, of other synthetic fibres
5607.90	Twine, cordage, ropes and cables, of other materials
5608.11	Made up fishing nets, of man-made textile materials
5608.19	Knotted netting of twine, cordage, or rope, and other made up nets of man-made textile materials
5608.90	Knotted netting of twine, cordage, or rope, and other made up nets of other textile materials
5609.00	Articles of yarn, strip, twine, cordage, rope and cables, nes

Chapter 57 Carpets and other textile floor coverings

5701.10	Carpets of wool or fine animal hair, knotted
5701.90	Carpets of other textile materials, knotted
5702.10	Kelem, Schumacks, Karamanie and similar textile hand-woven rugs
5702.20	Floor coverings of coconut fibres (coir)
5702.31	Carpets of wool or fine animal hair, of woven pile construction, not made up, nes
5702.32	Carpets of man-made textile materials, of woven pile construction, not made up, nes
5702.39	Carpets of other textile materials, of woven pile construction, not made up, nes
5702.41	Carpets of wool or fine animal hair, of woven pile construction, made up, nes
5702.42	Carpets of man-made textile materials, of woven pile construction, made up, nes
5702.49	Carpets of other textile materials, of woven pile construction, made up, nes
5702.51	Carpets of wool or fine animal hair, woven, not made up, nes
5702.52	Carpets of man-made textile materials, woven, not made up, nes
5702.59	Carpets of other textile materials, woven, not made up, nes
5702.91	Carpets of wool or fine animal hair, woven, made up, nes

5702.92	Carpets of man-made textile materials, woven, made up, nes
5702.99	Carpets of other textile materials, woven, made up, nes
5703.10	Carpets of wool or fine animal hair, tufted
5703.20	Carpets of nylon or other polyamide, tufted
5703.30	Carpets of other man-made textile materials, tufted
5703.90	Carpets of other textile materials, tufted
5704.10	Tiles of felt of textile materials, having a maximum surface area of 0.3 m ²
5704.90	Carpets of felt of textile materials, nes
5705.00	Carpets and other textile floor coverings, nes

Chapter 58 Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery

5801.10	Woven pile fabric of wool or fine animal hair, other than terry and narrow fabric
5801.21	Woven uncut weft pile fabric of cotton, other than terry and narrow fabric
5801.22	Cut corduroy fabric of cotton, other than narrow fabric
5801.23	Woven weft pile fabric of cotton, nes
5801.24	Woven warp pile fabric of cotton, epingle (uncut), other than terry and narrow fabric
5801.25	Woven warp pile fabric of cotton, cut, other than terry and narrow fabric
5801.26	Chenille fabric of cotton, other than narrow fabric
5801.31	Woven uncut weft pile fabric of manmade fibres, other than terry and narrow fabric
5801.32	Cut corduroy fabric of man-made fibres, other than narrow fabric
5801.33	Woven weft pile fabric of man-made fibres, nes
5801.34	Woven warp pile fabric of man-made fibre, epingle (uncut), other than terry and narrow fabric
5801.35	Woven warp pile fabric of man-made fibre, cut, other than terry and narrow fabric
5801.36	Chenille fabric of man-made fibres, other than narrow fabric
5801.90	Woven pile fabric and chenille fabric of other textile materials, other than terry and narrow fabric
5802.11	Terry toweling and similar woven terry fabric of cotton, other than narrow fabric, unbleached
5802.19	Terry toweling and similar woven terry fabric of cotton, other than unbleached or narrow fabric
5802.20	Terry toweling and similar woven terry fabric of other textile materials, other than narrow fabric
5802.30	Tufted textile fabric, other than products of heading No 57.03
5803.10	Gauze of cotton, other than narrow fabric
5803.90	Gauze of other textile material, other than narrow fabric
5804.10	Tulles and other net fabric, not including woven, knitted or crocheted fabric
5804.21	Mechanically made lace of man-made fibre, in the piece, in strips or motifs
5804.29	Mechanically made lace of other textile materials, in the piece, in strips or in motifs
5804.30	Hand-made lace, in the piece, in strips or in motifs

5805.00	Hand-woven tapestries and needle-worked tapestries, whether or not made up
5806.10	Narrow woven pile fabric and narrow chenille fabric
5806.20	Narrow woven fabric, containing ³ 5% elastomeric yarn or rubber thread, nes
5806.31	Narrow woven fabric of cotton, nes
5806.32	Narrow woven fabric of man-made fibres, nes
5806.39	Narrow woven fabric of other textile materials, nes
5806.40	Fabric consisting of warp without weft, assembled by means of an adhesive
5807.10	Labels, badges and similar woven articles of textile materials
5807.90	Labels, badges and similar articles, not woven, of textile materials, nes
5808.10	Braids in the piece
5808.90	Ornamental trimmings in the piece, other than knit; tassels, pompons and similar articles
5809.00	Woven fabric of metal thread or metallized yarn, for apparel, and homefurnishings, nes
5810.10	Embroidery without visible ground, in the piece, in strips or in motifs
5810.91	Embroidery of cotton, in the piece, in strips or in motifs, nes
5810.92	Embroidery of man-made fibres, in the piece, in strips or in motifs, nes
5810.99	Embroidery of other textile materials, in the piece, in strips or motifs, nes
5811.00	Quilted textile products in the piece

Chapter 59 Impregnated, coated, covered, laminated textile fabric; textile articles suitable for industrial use

5901.10	Textile fabric coated with gum, of a kind used for outer covers of books or the like
5901.90	Tracing cloth; prepared painting canvas; stiffened textile fabric for hats, nes
5902.10	Tire cord fabric of high tenacity nylon or other polyamide yarn
5902.20	Tire cord fabric of high tenacity polyester yarn
5902.90	Tire cord fabric made of high tenacity viscose rayon yarn
5903.10	Textile fabric impregnated, coated, covered, or laminated with polyvinyl chloride, nes
5903.20	Textile fabric impregnated, coated, covered, or laminated with polyurethane, nes
5903.90	Textile fabric impregnated, coated, covered, or laminated with plastics, nes
5904.10	Linoleum, whether or not cut to shape
5904.91	Floor coverings, other than linoleum, with a base of needleloom felt or nonwovens
5904.92	Floor coverings, other than linoleum, with other textile base
5905.00	Textile wall coverings
5906.10	Rubberized textile adhesive tape of a width not exceeding 20 cm
5906.91	Rubberized textile knitted or crocheted fabric, nes
5906.99	Rubberized textile fabric, nes
5907.00	Textile fabric impregnated, coated, covered, nes; painted canvas for theatre use, backdrops, etc.
5908.00	Textile wicks for lamps, stoves, candles or the like; gas mantles and knitted gas mantle fabric
5909.00	Textile hosepiping and similar textile tubing

5910.00	Transmission or conveyor belts or belting of textile material whether or not reinforced
5911.10	Felt and felt-lined woven fabric combined with rubber, leather, or other material, for technical uses
5911.20	Textile bolting cloth, whether or not made up
5911.31	Textile fabric, endless or linked, for paper-making or similar machines, weighing <650 g/m ²
5911.32	Textile fabric, endless or linked, for paper-making or similar machines, weighing ≥650 g/m ²
5911.40	Textile straining cloth used in oil presses or the like, including of human hair
5911.90	Textile products and articles for technical uses, nes

Chapter 60 Knitted or crocheted fabrics

6001.10	Long pile knitted or crocheted textile fabric
6001.21	Looped pile knitted or crocheted fabric, of cotton
6001.22	Looped pile knitted or crocheted fabric, of man-made fibres
6001.29	Looped pile knitted or crocheted fabric, of other textile materials
6001.91	Pile knitted or crocheted fabric, of cotton, nes
6001.92	Pile knitted or crocheted fabric, of man-made fibre, nes
6001.99	Pile knitted or crocheted fabric, of other textile materials, nes
6002.10	Knitted or crocheted textile fabric, width ≥30 cm, ≥5% of elastomeric yarn or rubber thread, nes
6002.20	Knitted or crocheted textile fabric, width not exceeding 30 cm, nes
6002.30	Knitted or crocheted textile fabric, width > 30 cm, ≥5% of elastomeric yarn or rubber thread, nes
6002.41	Warp knitted fabric, of wool or fine animal hair, nes
6002.42	Warp knitted fabric, of cotton, nes
6002.43	Warp knitted fabric, of man-made fibres, nes
6002.49	Warp knitted fabric, of other materials, nes
6002.91	Knitted or crocheted fabric, of wool or of fine animal hair, nes
6002.92	Knitted or crocheted fabric, of cotton, nes
6002.93	Knitted or crocheted fabric, of manmade fibres, nes
6002.99	Knitted or crocheted fabric, of other materials, nes

Chapter 61 Articles of apparel and clothing accessories, knitted or crocheted

6101.10	Men's or boys' overcoats, anoraks, and sim articles, of wool or fine animal hair, knitted or crocheted
6101.20	Men's or boys' overcoats, anoraks, and similar articles, of cotton, knitted or crocheted
6101.30	Men's or boys' overcoats, anoraks, and similar articles, of man-made fibres, knitted or crocheted
6101.90	Men's or boys' overcoats, anoraks, and sim articles, of other textile materials, knitted or crocheted
6102.10	Women's or girls' overcoats, anoraks and sim art, of wool or fine animal hair, knitted or crocheted
6102.20	Women's or girls' overcoats, anoraks and similar articles, of cotton, knitted or crocheted
6102.30	Women's or girls' overcoats, anoraks and similar articles, of man-made fibres, knitted or crocheted

6102.90	Women's or girls' overcoats, anoraks and sim art, of other textile materials, knitted or crocheted
6103.11	Men's or boys' suits, of wool or fine animal hair, knitted or crocheted
6103.12	Men's or boys' suits, of synthetic fibres, knitted or crocheted
6103.19	Men's or boys' suits, of other textile materials, knitted or crocheted
6103.21	Men's or boys' ensembles, of wool or fine animal hair, knitted or crocheted
6103.22	Men's or boys' ensembles, of cotton, knitted or crocheted
6103.23	Men's or boys' ensembles, of synthetic fibres, knitted or crocheted
6103.29	Men's or boys' ensembles, of other textile materials, knitted or crocheted
6103.31	Men's or boys' jackets and blazers, of wool or fine animal hair, knitted or crocheted
6103.32	Men's or boys' jackets and blazers, of cotton, knitted or crocheted
6103.33	Men's or boys' jackets and blazers, of synthetic fibres, knitted or crocheted
6103.39	Men's or boys' jackets and blazers, of other textile materials, knitted or crocheted
6103.41	Men's or boys' trousers and shorts, of wool or fine animal hair, knitted or crocheted
6103.42	Men's or boys' trousers and shorts, of cotton, knitted or crocheted
6103.43	Men's or boys' trousers and shorts, of synthetic fibres, knitted or crocheted
6103.49	Men's or boys' trousers and shorts, of other textile materials, knitted or crocheted
6104.11	Women's or girls' suits, of wool or fine animal hair, knitted or crocheted
6104.12	Women's or girls' suits, of cotton, knitted or crocheted
6104.13	Women's or girls' suits, of synthetic fibres, knitted or crocheted
6104.19	Women's or girls' suits, of other textile materials, knitted or crocheted
6104.21	Women's or girls' ensembles, of wool or fine animal hair, knitted or crocheted
6104.22	Women's or girls' ensembles, of cotton, knitted or crocheted
6104.23	Women's or girls' ensembles, of synthetic fibres, knitted or crocheted
6104.29	Women's or girls' ensembles, of other textile materials, knitted or crocheted
6104.31	Women's or girls' jackets, of wool or fine animal hair, knitted or crocheted
6104.32	Women's or girls' jackets, of cotton, knitted or crocheted
6104.33	Women's or girls' jackets, of synthetic fibres, knitted or crocheted
6104.39	Women's or girls' jackets, of other textile materials, knitted or crocheted
6104.41	Women's or girls' dresses, of wool or fine animal hair, knitted or crocheted
6104.42	Women's or girls' dresses, of cotton, knitted or crocheted
6104.43	Women's or girls' dresses, of synthetic fibres, knitted or crocheted
6104.44	Women's or girls' dresses, of artificial fibres, knitted or crocheted
6104.49	Women's or girls' dresses, of other textile materials, knitted or crocheted
6104.51	Women's or girls' skirts, of wool or fine animal hair, knitted or crocheted
6104.52	Women's or girls' skirts, of cotton, knitted or crocheted
6104.53	Women's or girls' skirts, of synthetic fibres, knitted or crocheted
6104.59	Women's or girls' skirts, of other textile materials, knitted or crocheted
6104.61	Women's or girls' trousers and shorts, of wool or fine animal hair, knitted or crocheted

6104.62	Women's or girls' trousers and shorts, of cotton, knitted or crocheted
6104.63	Women's or girls' trousers and shorts, of synthetic fibres, knitted or crocheted
6104.69	Women's or girls' trousers and shorts, of other textile materials, knitted or crocheted
6105.10	Men's or boys' shirts, of cotton, knitted or crocheted
6105.20	Men's or boys' shirts, of man-made fibres, knitted or crocheted
6105.90	Men's or boys' shirts, of other textile materials, knitted or crocheted
6106.10	Women's or girls' blouses and shirts, of cotton, knitted or crocheted
6106.20	Women's or girls' blouses and shirts, of man-made fibres, knitted or crocheted
6106.90	Women's or girls' blouses and shirts, of other materials, knitted or crocheted
6107.11	Men's or boys' underpants and briefs, of cotton, knitted or crocheted
6107.12	Men's or boys' underpants and briefs, of man-made fibres, knitted or crocheted
6107.19	Men's or boys' underpants and briefs, of other textile materials, knitted or crocheted
6107.21	Men's or boys' nightshirts and pajamas, of cotton, knitted or crocheted
6107.22	Men's or boys' nightshirts and pajamas, of man-made fibres, knitted or crocheted
6107.29	Men's or boys' nightshirts and pajamas, of other textile materials, knitted or crocheted
6107.91	Men's or boys' underpants, briefs, robes, and similar articles of cotton, knitted or crocheted
6107.92	Men's or boys' underpants, briefs, robes, and sim articles of man-made fibres, knitted or crocheted
6107.99	Men's or boys' underwear, briefs, robes, and sim art of other textile materials, knitted or crocheted
6108.11	Women's or girls' slips and petticoats, of man-made fibres, knitted or crocheted
6108.19	Women's or girls' slips and petticoats, of other textile materials, knitted or crocheted
6108.21	Women's or girls' briefs and panties, of cotton, knitted or crocheted
6108.22	Women's or girls' briefs and panties, of man-made fibres, knitted or crocheted
6108.29	Women's or girls' briefs and panties, of other textile materials, knitted or crocheted
6108.31	Women's or girls' nightdresses and pajamas, of cotton, knitted or crocheted
6108.32	Women's or girls' nightdresses and pajamas, of man-made fibres, knitted or crocheted
6108.39	Women's or girls' nightdresses and pajamas, of other textile materials, knitted or crocheted
6108.91	Women's or girls' robes, dressing gowns, and similar articles of cotton, nes, knitted or crocheted
6108.92	Women's or girls' robes, dressing gowns, and sim art of man-made fibres, nes, knitted or crocheted
6108.99	Women's or girls' robes, dressing gowns, and sim art of other tex materials, nes, knitted or crocheted

6109.10	T-shirts, singlets, tank tops, and similar garments, of cotton, knitted or crocheted
6109.90	T-shirts, singlets, tank tops, and similar garments, of other textile materials, knitted or crocheted
6110.10	Sweaters, pullovers, sweatshirts, and sim articles of wool or fine animal hair, knitted or crocheted
6110.20	Sweaters, pullovers, sweatshirts, and similar articles of cotton, knitted or crocheted
6110.30	Sweaters, pullovers, sweatshirts, and similar articles of man-made fibres, knitted or crocheted
6110.90	Sweaters, pullovers, sweatshirts, and sim articles of other textile materials, knitted or crocheted
6111.10	Babies' garments and clothing accessories of wool or fine animal hair, knitted or crocheted
6111.20	Babies' garments and clothing accessories of cotton, knitted or crocheted
6111.30	Babies' garments and clothing accessories of synthetic fibres, knitted or crocheted
6111.90	Babies' garments and clothing accessories of other textile materials, knitted or crocheted
6112.11	Track suits, of cotton, knitted or crocheted
6112.12	Track suits, of synthetic fibres, knitted or crocheted
6112.19	Track suits, of other textile materials, knitted or crocheted
6112.20	Ski suits, of textile materials, knitted or crocheted
6112.31	Men's or boys' swimwear, of synthetic fibres, knitted or crocheted
6112.39	Men's or boys' swimwear, of other textile materials, knitted or crocheted
6112.41	Women's or girls' swimwear, of synthetic fibres, knitted or crocheted
6112.49	Women's or girls' swimwear, of other textile materials, knitted or crocheted
6113.00	Garments made up of impregnated, coated, covered or laminated textile knitted or crocheted fabric
6114.10	Garments of wool or fine animal hair, knitted or crocheted, nes
6114.20	Garments of cotton, knitted or crocheted, nes
6114.30	Garments of man-made fibres, knitted or crocheted, nes
6114.90	Garments of other textile materials, knitted or crocheted, nes
6115.11	Panty hose and tights, of synthetic fibre yarn, <67 decitex/single yarn, knitted or crocheted
6115.12	Panty hose and tights, of synthetic fibre yarn, ³ 67 decitex/single yarn, knitted or crocheted
6115.19	Panty hose and tights, of other textile materials, knitted or crocheted
6115.20	Women full or knee length hosiery, of textile yarn, <67 decitex/single yarn, knitted or crocheted
6115.91	Hosiery nes, of wool or fine animal hair, knitted or crocheted
6115.92	Hosiery nes, of cotton, knitted or crocheted
6115.93	Hosiery nes, of synthetic fibres, knitted or crocheted
6115.99	Hosiery nes, of other textile materials, knitted or crocheted
6116.10	Gloves or mittens, impregnated, coated or covered with plastics or rubber, knitted or crocheted
6116.91	Gloves or mittens, nes, of wool or fine animal hair, knitted or crocheted
6116.92	Gloves or mittens, nes, of cotton, knitted or crocheted
6116.93	Gloves or mittens, nes, of synthetic fibres, knitted or crocheted
6116.99	Gloves or mittens, nes, of other textile materials, knitted or crocheted

6117.10	Shawls, scarves, veils and the like, of textile materials, knitted or crocheted
6117.20	Ties, bow ties and cravats, of textile materials, knitted or crocheted
6117.80	Clothing accessories nes, of textile materials, knitted or crocheted
6117.90	Parts of garments or clothing accessories, of textile materials, knitted or crocheted

Chapter 62: Articles of apparel and clothing accessories, not knitted or crocheted

6201.11	Men's or boys' overcoats, and similar articles of wool or fine animal hair, not knitted or crocheted
6201.12	Men's or boys' overcoats, and similar articles of cotton, not knitted or crocheted
6201.13	Men's or boys' overcoats, and similar articles of man-made fibres, not knitted or crocheted
6201.19	Men's or boys' overcoats, and similar articles of other textile materials, not knitted or crocheted
6201.91	Men's or boys' anoraks and similar articles, of wool or fine animal hair, not knitted or crocheted
6201.92	Men's or boys' anoraks and similar articles, of cotton, not knitted or crocheted
6201.93	Men's or boys' anoraks and similar articles, of man-made fibres, not knitted or crocheted
6201.99	Men's or boys' anoraks and similar articles, of other textile materials, not knitted or crocheted
6202.11	Women's or girls' overcoats and similar articles of wool or fine animal hair not knitted or crocheted
6202.12	Women's or girls' overcoats and similar articles of cotton, not knitted or crocheted
6202.13	Women's or girls' overcoats and similar articles of man-made fibres, not knitted or crocheted
6202.19	Women's or girls' overcoats and similar articles of other textile mat, not knitted or crocheted 6202.91 Women's or girls' anoraks and similar article of wool or fine animal hair, not knitted or crocheted
6202.92	Women's or girls' anoraks and similar article of cotton, not knitted or crocheted
6202.93	Women's or girls' anoraks and similar article of man-made fibres, not knitted or crocheted
6202.99	Women's or girls' anoraks and similar article of other textile materials, not knitted or crocheted
6203.11	Men's or boys' suits, of wool or fine animal hair, not knitted or crocheted
6203.12	Men's or boys' suits, of synthetic fibres, not knitted or crocheted
6203.19	Men's or boys' suits, of other textile materials, not knitted or crocheted
6203.21	Men's or boys' ensembles, of wool or fine animal hair, not knitted or crocheted
6203.22	Men's or boys' ensembles, of cotton, not knitted or crocheted
6203.23	Men's or boys' ensembles, of synthetic fibres, not knitted or crocheted
6203.29	Men's or boys' ensembles, of other textile materials, not knitted or crocheted
6203.31	Men's or boys' jackets and blazers, of wool or fine animal hair, not knitted or crocheted
6203.32	Men's or boys' jackets and blazers, of cotton, not knitted or crocheted

6203.33	Men's or boys' jackets and blazers, of synthetic fibres, not knitted or crocheted
6203.39	Men's or boys' jackets and blazers, of other textile materials, not knitted or crocheted
6203.41	Men's or boys' trousers and shorts, of wool or fine animal hair, not knitted or crocheted
6203.42	Men's or boys' trousers and shorts, of cotton, not knitted or crocheted
6203.43	Men's or boys' trousers and shorts, of synthetic fibres, not knitted or crocheted
6203.49	Men's or boys' trousers and shorts, of other textile materials, not knitted or crocheted
6204.11	Women's or girls' suits, of wool or fine animal hair, not knitted or crocheted
6204.12	Women's or girls' suits, of cotton, not knitted or crocheted
6204.13	Women's or girls' suits, of synthetic fibres, not knitted or crocheted
6204.19	Women's or girls' suits, of other textile materials, not knitted or crocheted
6204.21	Women's or girls' ensembles, of wool or fine animal hair, not knitted or crocheted
6204.22	Women's or girls' ensembles, of cotton, not knitted or crocheted
6204.23	Women's or girls' ensembles, of synthetic fibres, not knitted or crocheted
6204.29	Women's or girls' ensembles, of other textile materials, not knitted or crocheted
6204.31	Women's or girls' jackets, of wool or fine animal hair, not knitted or crocheted
6204.32	Women's or girls' jackets, of cotton, not knitted or crocheted
6204.33	Women's or girls' jackets, of synthetic fibres, not knitted or crocheted
6204.39	Women's or girls' jackets, of other textile materials, not knitted or crocheted
6204.41	Women's or girls' dresses, of wool or fine animal hair, not knitted or crocheted
6204.42	Women's or girls' dresses, of cotton, not knitted or crocheted
6204.43	Women's or girls' dresses, of synthetic fibres, not knitted or crocheted
6204.44	Women's or girls' dresses, of artificial fibres, not knitted or crocheted
6204.49	Women's or girls' dresses, of other textile materials, not knitted or crocheted
6204.51	Women's or girls' skirts, of wool or fine animal hair, not knitted or crocheted
6204.52	Women's or girls' skirts, of cotton, not knitted or crocheted
6204.53	Women's or girls' skirts, of synthetic fibres, not knitted or crocheted
6204.59	Women's or girls' skirts, of other textile materials, not knitted or crocheted
6204.61	Women's or girls' trousers and shorts, of wool or fine animal hair, not knitted or crocheted
6204.62	Women's or girls' trousers and shorts, of cotton, not knitted or crocheted
6204.63	Women's or girls' trousers and shorts, of synthetic fibres, not knitted or crocheted
6204.69	Women's or girls' trousers and shorts, of other textile materials, not knitted or crocheted
6205.10	Men's or boys' shirts, of wool or fine animal hair, not knitted or crocheted
6205.20	Men's or boys' shirts, of cotton, not knitted or crocheted

6205.30	Men's or boys' shirts, of man-made fibres, not knitted or crocheted
6205.90	Men's or boys' shirts, of other textile materials, not knitted or crocheted
6206.10	Women's or girls' blouses and shirts, of silk or silk waste, not knitted or crocheted
6206.20	Women's or girls' blouses and shirts, of wool or fine animal hair, not knitted or crocheted
6206.30	Women's or girls' blouses and shirts, of cotton, not knitted or crocheted
6206.40	Women's or girls' blouses and shirts, of man-made fibres, not knitted or crocheted
6206.90	Women's or girls' blouses and shirts, of other textile materials, not knitted or crocheted
6207.11	Men's or boys' underpants and briefs, of cotton, not knitted or crocheted
6207.19	Men's or boys' underpants and briefs, of other textile materials, not knitted or crocheted
6207.21	Men's or boys' nightshirts and pajamas, of cotton, not knitted or crocheted
6207.22	Men's or boys' nightshirts and pajamas, of man-made fibres, not knitted or crocheted
6207.29	Men's or boys' nightshirts and pajamas, of other textile materials, not knitted or crocheted
6207.91	Men's or boys' robes, dressing gowns, and similar articles of cotton, not knitted or crocheted
6207.92	Men's or boys' robes, dressing gowns, and sim art of man-made fibres, not knitted or crocheted
6207.99	Men's or boys' robes, dressing gowns, and similar articles of other textile materials, not knit
6208.11	Women's or girls' slips and petticoats, of man-made fibres, not knitted or crocheted
6208.19	Women's or girls' slips and petticoats, of other textile materials, not knitted or crocheted
6208.21	Women's or girls' nightdresses and pajamas, of cotton, not knitted or crocheted
6208.22	Women's or girls' nightdresses and pajamas, of man-made fibres, not knitted or crocheted
6208.29	Women's or girls' nightdresses and pajamas, of other textile materials, not knitted or crocheted
6208.91	Women's or girls' panties, robes, and similar articles of cotton, not knitted or crocheted
6208.92	Women's or girls' panties, robes, and similar articles of man-made fibres, not knitted or crocheted
6208.99	Women's or girls' panties, robes, and sim art of other textile materials, not knitted or crocheted
6209.10	Babies' garments and clothing accessories of wool or fine animal hair, not knitted or crocheted
6209.20	Babies' garments and clothing accessories of cotton, not knitted or crocheted
6209.30	Babies' garments and clothing accessories of synthetic fibres, not knitted or crocheted
6209.90	Babies' garments and clothing accessories of other textile materials, not knitted or crocheted
6210.10	Garments made up of textile felts and of nonwoven textile fabric

6210.20	Men's or boys' overcoats and similar articles of impreg, coated, covered etc, textile fabric
6210.30	Women's or girls' overcoats and sim art, of impregnated, coated, covered, or laminated woven fabric
6210.40	Men's or boys' garments nes, made up of impregnated, coated, covered, or laminated woven fabric
6210.50	Women's or girls' garments nes, of impregnated, coated, covered, or laminated woven fabric
6211.11	Men's or boys' swimwear, of textile materials not knitted or crocheted
6211.12	Women's or girls' swimwear, of textile materials, not knitted or crocheted
6211.20	Ski suits, of textile materials, not knitted or crocheted
6211.31	Men's or boys' garments nes, of wool or fine animal hair, not knitted or crocheted
6211.32	Men's or boys' garments nes, of cotton, not knitted or crocheted
6211.33	Men's or boys' garments nes, of man-made fibres, not knitted or crocheted
6211.39	Men's or boys' garments nes, of other textile materials, not knitted or crocheted
6211.41	Women's or girls' garments nes, of wool or fine animal hair, not knitted or crocheted
6211.42	Women's or girls' garments nes, of cotton, not knitted or crocheted
6211.43	Women's or girls' garments nes, of man-made fibres, not knitted or crocheted
6211.49	Women's or girls' garments nes, of other textile materials, not knitted or crocheted
6212.10	Brassieres and parts thereof, of textile materials, whether or not knitted or crocheted
6212.20	Girdles, panty girdles and parts thereof, of textile materials, whether or not knitted or crocheted
6212.30	Corselettes and parts thereof, of textile materials, whether or not knitted or crocheted
6212.90	Corsets, braces and sim articles and parts, of textile materials, whether or not knitted or crocheted
6213.10	Handkerchiefs, of silk or silk waste, not knitted or crocheted
6213.20	Handkerchiefs, of cotton, not knitted or crocheted
6213.90	Handkerchiefs, of other textile materials, not knitted or crocheted
6214.10	Shawls, scarves, veils and the like, of silk or silk waste, not knitted or crocheted
6214.20	Shawls, scarves, veils and the like, of wool or fine animal hair, not knitted or crocheted
6214.30	Shawls, scarves, veils and the like, of synthetic fibres, not knitted or crocheted
6214.40	Shawls, scarves, veils and the like, of artificial fibres, not knitted or crocheted
6214.90	Shawls, scarves, veils and the like, of other textile materials, not knitted or crocheted
6215.10	Ties, bow ties and cravats, of silk or silk waste, not knitted or crocheted
6215.20	Ties, bow ties and cravats, of man-made fibres, not knitted or crocheted
6215.90	Ties, bow ties and cravats, of other textile materials, not knitted or crocheted
6216.00	Gloves, mittens and mitts, of textile materials, not knitted or crocheted

6217.10	Clothing accessories of textile materials, not knitted or crocheted, nes
6217.90	Parts of garments or of clothing accessories of textile materials, not knitted or crocheted, nes

Chapter 63 Other made up textile articles; needlecraft sets; worn clothing and worn textile articles; rags

6301.10	Electric blankets, of textile materials
6301.20	Blankets (other than electric) and travelling rugs, of wool or fine animal hair
6301.30	Blankets (other than electric) and travelling rugs, of cotton
6301.40	Blankets (other than electric) and travelling rugs, of synthetic fibres
6301.90	Blankets (other than electric) and travelling rugs, of other textile materials
6302.10	Bed linen, of textile knitted or crocheted or crocheted materials
6302.21	Bed linen, of cotton, printed, not knitted or crocheted
6302.22	Bed linen, of man-made fibres, printed, not knitted or crocheted
6302.29	Bed linen, of other textile materials, printed, not knitted or crocheted
6302.31	Bed linen, of cotton, nes
6302.32	Bed linen, of man-made fibres, nes
6302.39	Bed linen, of other textile materials, nes
6302.40	Table linen, of textile knitted or crocheted materials
6302.51	Table linen, of cotton, not knitted or crocheted
6302.52	Table linen, of flax, not knitted or crocheted
6302.53	Table linen, of man-made fibres, not knitted or crocheted
6302.59	Table linen, of other textile materials, not knitted or crocheted
6302.60	Toilet and kitchen linen, of terry toweling or similar terry fabric, of cotton
6302.91	Toilet and kitchen linen, of cotton, nes
6302.92	Toilet and kitchen linen, of flax
6302.93	Toilet and kitchen linen, of man-made fibres
6302.99	Toilet and kitchen linen, of other textile materials
6303.11	Curtains, interior blinds and curtain or bed valances, of cotton, knitted or crocheted
6303.12	Curtains, interior blinds and curtain or bed valances, of synthetic fibre, knitted or crocheted
6303.19	Curtains, interior blinds and curtain or bed valances, other textile materials, knitted or crocheted
6303.91	Curtains, interior blinds and curtain or bed valances, of cotton, not knitted or crocheted
6303.92	Curtains, interior blinds and curtain or bed valances, of synthetic fibre, not knitted or crocheted
6303.99	Curtains, interior blinds and curtain or bed valances, of other tex mat, not knitted or crocheted
6304.11	Bedspreads of textile materials, nes, knitted or crocheted
6304.19	Bedspreads of textile materials, nes, not knitted or crocheted
6304.91	Furnishing articles nes, of textile materials, knitted or crocheted
6304.92	Furnishing articles nes, of cotton, not knitted or crocheted
6304.93	Furnishing articles nes, of synthetic fibres, not knitted or crocheted
6304.99	Furnishing articles nes, of other textile materials, not knitted or crocheted
6305.10	Sacks and bags of jute or of other textile bast fibres
6305.20	Sacks and bags of cotton

6305.32	Sacks and bags of man-made textile materials - flexible intermediate bulk containers
6305.33	Sacks and bags of polyethylene or polypropylene strips
6305.39	Sacks and bags of other man-made textile materials
6305.90	Sacks and bags of other textile materials
6306.11	Tarpaulins, awnings and sunblinds, of cotton
6306.12	Tarpaulins, awnings and sunblinds, of synthetic fibres
6306.19	Tarpaulins, awnings and sunblinds, of other textile materials
6306.21	Tents, of cotton
6306.22	Tents, of synthetic fibres
6306.29	Tents, of other textile materials
6306.31	Sails, of synthetic fibres
6306.39	Sails, of other textile materials
6306.41	Pneumatic mattresses, of cotton
6306.49	Pneumatic mattresses, of other textile materials
6306.91	Camping goods nes, of cotton
6306.99	Camping goods nes, of other textile materials
6307.10	Floor-cloths, dish-cloths, dusters and similar cleaning cloths, of textile materials
6307.20	Life jackets and life belts, of textile materials
6307.90	Made up articles, of textile materials, nes, including dress patterns
6308.00	Sets of woven fabric and yarn, for rugs, tapestries, and similar textile articles, for retail sale
6309.00	Worn clothing and other worn articles

Chapter 64 Footwear, gaiters, and the like; parts of such articles

ex 6405.20	Footwear with soles and uppers of wool felt
ex 6406.10	Footwear uppers of which the external surface is ³ 50% textile material
ex 6406.99	Leg warmers and gaiters of textile materials

Chapter 65 Headgear and parts thereof

6501.00	Hat-forms, hat bodies and hoods of felt; plateaux and manchons of felt
6502.00	Hat-shapes, plaited or made by assembling strips of any material
6503.00	Felt hats and other felt headgear
6504.00	Hats and other headgear, plaited or made by assembling strips of any material
6505.90	Hats and other headgear, knitted or made up from lace, or other textile materials

Chapter 66 Umbrellas, sun umbrellas, walking sticks, seatsticks, whips, riding-crops and parts thereof

6601.10	Umbrellas and sun umbrellas, garden type
6601.91	Other umbrella types, telescopic shaft
6601.99	Other umbrellas

Chapter 70 Glass and glassware

ex 7019.19	Yarn of fibre glass
7019.40	Woven fabric of rovings
7019.51	Other woven fabric, of a width ² 30cm
7019.52	Other woven fabric, of a width >30cm, plain weave, weighing <250g/m ² , of filaments measuring per single yarn ² 136 tex
7019.59	Other woven fabric, other

Chapter 88 Aircraft, spacecraft, and parts thereof

8804.00 Parachutes; their parts and accessories

Chapter 91 Clocks and watches and parts thereof

9113.90 Watch straps, bands and bracelets of textile materials

Chapter 94 Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings

ex 9404.90 Pillow and cushions of cotton; quilts; eiderdowns; comforters and similar articles of textile materials

Chapter 95 Toys, games and sports requisites; parts and accessories thereof

9502.91 Garments for dolls

Chapter 96 Miscellaneous manufactured articles

ex 9612.10 Woven ribbons, of man-made fibres, other than those <30 mm wide and permanently in cartridges

Appendix 4.1

Flexibility Provisions

1. Adjustments to annual specific limits (SLs), may be made as follows:
 - (a) the exporting Party may increase the SL for a calendar year by no more than six per cent ("swing").
 - (b) in addition to any increase of its SL under subparagraph (a), the exporting Party may increase its unadjusted SL for that year by no more than 11 per cent by allocating to such SL for that calendar year (the "receiving year") an unused portion ("shortfall") of the corresponding SL for the previous calendar year ("carryover") or a portion of the corresponding SL for the following calendar year ("carryforward"), as follows:
 - (i) subject to subparagraph (iii), the exporting Party may utilize carryover, as available, up to 11 per cent of the unadjusted SL for the receiving year,
 - (ii) the exporting Party may utilize carryforward charged against the corresponding SL for the following calendar year, up to six per cent of the unadjusted SL for the receiving year,
 - (iii) the combination of the exporting Party's carryover and carryforward shall not exceed 11 per cent of the unadjusted SL in the receiving year, and
 - (iv) carryover may be utilized only following confirmation by the importing Party that sufficient shortfall exists. If the importing Party does not consider that sufficient shortfall exists, it shall promptly provide data to the exporting Party to support that view. Where substantial statistical

differences exist between the import and export data on which the shortfall is computed, the Parties shall seek to resolve these differences promptly.

Appendix 5.1

Special Provisions

Preferential Tariff Treatment for Non-Originating Goods of the Other Party

Apparel and Made-Up Goods

1.
 - (a) Each Party shall apply the rate of duty applicable to originating goods set out in its Schedule to Annex C-02.2, up to the annual quantities specified in Schedule 5.B.1, in SME, to apparel goods provided for in Chapters 61 and 62 that are both cut (or knit to shape) and sewn or otherwise assembled in the territory of a Party from fabric or yarn produced or obtained outside the free trade area, and that meet other applicable conditions for preferred tariff treatment under this Agreement. The SME shall be determined in accordance with the conversion factors set out in Appendix 5.2.
 - (b) The annual tariff preference levels (TPLs) set out in Schedule 5.B.1 for cotton or man-made fibre apparel shall be increased annually by two per cent for six consecutive years beginning January 1, 1998.
 - (c) The annual tariff preference levels (TPLs) set out in Schedule 5.B.1 for wool apparel shall be increased annually by two per cent for six consecutive years beginning January 1, 1998.

Fabric and Made-Up Goods

2.
 - (a) Each Party shall apply the rate of duty applicable to originating goods set out in its Schedule to Annex C-02.2, up to the annual quantities specified in Schedule 5.B.2, in SME, to cotton or man-made fibre fabric and cotton or man-made fibre madeup textile goods provided for in Chapters 52 through 55 (excluding goods containing 36% or more by weight of wool or fine animal hair), 58, 60, and 63 that are woven or knit in a Party from yarn produced or obtained outside the free trade area, or knit in a Party from yarn spun in a Party from fibre produced or obtained outside the free trade area, and to goods of subheading 9404.90 that are finished and cut and sewn or otherwise assembled from fabrics of subheadings 5208.11 through 5208.29, 5209.11 through 5209.29, 5210.11 through 5210.29, 5211.11 through 5211.29, 5212.11, 5212.12, 5212.21, 5212.22, 5407.41, 5407.51, 5407.71, 5407.81, 5407.91, 5408.21, 5408.31, 5512.11, 5512.21, 5512.91, 5513.11 through 5513.19, 5514.11 through 5514.19, 5516.11, 5516.21, 5516.31, 5516.41 or 5516.91 produced or obtained outside the free trade area, and that meet other applicable conditions for preferred tariff treatment under this Agreement. The SME shall be determined in accordance with the conversion factors set out in Appendix 5.2.

- (b) Each Party shall apply the rate of duty applicable to originating goods set out in its Schedule to Annex C-02.2, up to the annual quantities specified in Schedule 5.B.2, in SME, to wool fabric and wool made-up textile goods provided for in Chapters 51 through 55 (containing 36% or more by weight of wool or fine animal hair), 58, 60 and 63 that are woven or knit in a Party from yarn produced or obtained outside the free trade area or, knit in a Party from yarn spun in a Party from fibre produced or obtained outside the free trade area, and that meet other applicable conditions for preferred tariff treatment under this Agreement. The SME shall be determined in accordance with the conversion factors set out in Appendix 5.2.

Spun Yarn

3. Each Party shall apply the rate of duty applicable to originating goods set out in its Schedule to Annex C-02.2, up to the annual quantities specified in Schedule 5.B.3, in kilograms (kg), to cotton or man-made fibre yarns provided for in headings 52.05 through 52.07 or 55.09 through 55.11 that are spun in a Party from fibre of headings 52.01 through 52.03 or 55.01 through 55.07, produced or obtained outside the free trade area and that meet other applicable conditions for preferred tariff treatment under this Agreement.

4. Textile or apparel goods that enter the territory of a Party under paragraph 1, 2 or 3 shall not be considered to be originating goods.

Certification Requirements

5. The Parties shall, prior to the date on which the Agreement enters into force, for purposes of determining eligibility for the TPLs provided under this Annex, consult on the documentation or certification requirements, if any, for importation of the goods for which the benefit of a TPL is being claimed.

Review and Consultations

6. Trade in the goods referred to in paragraphs 1, 2 and 3 shall be monitored by the Parties. On request of any Party wishing to adjust any annual TPL, based on the ability to obtain supplies of particular fibres, yarns and fabrics, as appropriate, that can be used to produce originating goods, the Parties shall consult with a view to adjusting such level. Any adjustment in the TPL requires the mutual consent of the Parties.

Schedule 5.B.1

Preferential Tariff Treatment for Non-Originating

Apparel and Made-Up Goods

Imports into Canada:	from Chile
(a) Cotton or Man-made fibre apparel	2,000,000 SMEs
(b) Wool apparel	100,000 SMEs
Imports into Chile:	from Canada

(a) Cotton or Man-made fibre apparel	2,000,000 SMEs
(b) Wool apparel from Canada	100,000 SMEs

Schedule 5.B.2

Preferential Tariff Treatment for Non-Originating**Fabrics and Made-Up Goods**

Imports into Canada	from Chile
(a) Cotton or Man-made fibre fabrics and made-up goods	1,000,000 SMEs
(b) Wool fabrics and made-up goods	250,000 SMEs
Imports into Chile	from Canada
(a) Cotton or Man-made fibre fabrics and made-up goods	1,000,000 SMEs
(b) Wool fabrics and made-up goods	250,000 SMEs

Schedule 5.B.3

Preferential Tariff Treatment for Non-Originating**Cotton or Man-made Fibre Spun Yarn**

Imports into Canada	from Chile
	500,000 kg
Imports into Chile	from Canada
	500,000 kg

Appendix 5.2

Conversion Factors⁴

1. This Schedule applies to restrictions and consultation levels applied pursuant to Sections 3 and 4 and Appendix 5.1.

2. Unless otherwise provided in this Annex, or as may be mutually agreed between the Parties with respect to trade between them, the rates of conversion into SME set out in paragraphs 3 through 6 shall apply.

3. The following conversion factors shall apply to the goods covered by the following U.S. categories:

U.S. Category	Conversion Factor	Description	Primary Unit of Measure
200	6.60	YARN FOR RETAIL SALE, SEWING THREAD	KG
201	6.50	SPECIALTY YARNS	KG
218	1.00	FABRIC OF YARNS OF DIFFERENT COLOURS	SM
219	1.00	DUCK FABRIC	SM
220	1.00	FABRIC OF SPECIAL WEAVE	SM
222	6.00	KNIT FABRIC	KG
223	14.00	NONWOVEN FABRIC	KG
224	1.00	PILE & TUFTED FABRIC	SM
225	1.00	BLUE DENIM FABRIC	SM
226	1.00	CHEESECLOTH, BATISTE, LAWN & VOILE	SM
227	1.00	OXFORD CLOTH	SM
229	13.60	SPECIAL PURPOSE FABRIC	KG
237	19.20	PLAYSUITS, SUNSUITS, ETC	DZ
239	6.30	BABIES' GARMENTS & CLOTHING ACCESS.	KG
300	8.50	CARDED COTTON YARN	KG
301	8.50	COMBED COTTON YARN	KG
313	1.00	COTTON SHEETING FABRIC	SM
314	1.00	COTTON POPLIN & BROADCLOTH FABRIC	SM
315	1.00	COTTON PRINTCLOTH FABRIC	SM
317	1.00	COTTON TWILL FABRIC	SM
326	1.00	COTTON SATEEN FABRIC	SM
330	1.40	COTTON HANDKERCHIEFS	DZ
331	2.90	COTTON GLOVES AND MITTENS	DPR
332	3.80	COTTON HOSIERY	DPR
333	30.30	M&B SUITTYPE COATS, COTTON	DZ
334	34.50	OTHER M&B COATS, COTTON	DZ
335	34.50	W&G COTTON COATS	DZ
336	37.90	COTTON DRESSES	DZ
338	6.00	M&B COTTON KNIT SHIRTS	DZ
339	6.00	W&G COTTON KNIT SHIRTS/BLOUSES	DZ
340	20.10	M&B COTTON SHIRTS, NOT KNIT	DZ
341	12.10	W&G COTTON SHIRTS/BLOUSES,NOT KNIT	DZ
342	14.90	COTTON SKIRTS	DZ
345	30.80	COTTON SWEATERS	DZ
347	14.90	M&B COTTON TROUSERS/BREECHES/SHORTS	DZ
348	14.90	W&G COTTON TROUSERS/BREECHES/SHORTS	DZ
349	4.00	BRASSIERES, OTHER BODY SUPPORT GARMENTS	DZ
350	42.60	COTTON DRESSING GOWNS, ROBES ETC.	DZ
351	43.50	COTTON NIGHTWEAR/PAJAMAS	DZ

352	9.20	COTTON UNDERWEAR	DZ
353	34.50	M&B COTTON DOWNFILLED COATS	DZ
354	34.50	W&G COTTON DOWNFILLED COATS	DZ
359	8.50	OTHER COTTON APPAREL	KG
360	0.90	COTTON PILLOWCASES	NO
361	5.20	COTTON SHEETS	NO
362	5.80	OTHER COTTON BEDDING	NO
363	0.40	COTTON TERRY & OTHER PILE TOWELS	NO
369	8.50	OTHER COTTON MANUFACTURES	KG
400	3.70	WOOL YARN	KG
410	1.00	WOOL WOVEN FABRIC	SM
414	2.80	OTHER WOOL FABRIC	KG
431	1.80	WOOL GLOVES/MITTENS	DPR
432	2.30	WOOL HOSIERY	DPR
433	30.10	M&B WOOL SUITTYPE COATS	DZ
434	45.10	OTHER M&B WOOL COATS	DZ
435	45.10	W&G WOOL COATS	DZ
436	41.10	WOOL DRESSES	DZ
438	12.50	WOOL KNIT SHIRTS/BLOUSES	DZ
439	6.30	BABIES' WOOL GARM/CLOTHING ACCESS.	KG
440	20.10	WOOL SHIRTS/BLOUSES, NOTKNIT	DZ
442	15.00	WOOL SKIRTS	DZ
443	3.76	M&B WOOL SUITS	NO
444	3.76	W&G WOOL SUITS	NO
445	12.40	M&B WOOL SWEATERS	DZ
446	12.40	W&G WOOL SWEATERS	DZ
447	15.00	M&B WOOL TROUSERS/BREECHES/SHORTS	DZ
448	15.00	W&G WOOL TROUSERS/BREECHES/SHORTS	DZ
459	3.70	OTHER WOOL APPAREL	KG
464	2.40	WOOL BLANKETS	KG
465	1.00	WOOL FLOOR COVERINGS	SM
469	3.70	OTHER WOOL MANUFACTURES	KG
600	6.50	TEXTURED FILAMENT YARN	KG
603	6.30	YARN (c) 85% ARTIFICIAL STAPLE FIBRE	KG
604	7.60	YARN (c) 85% SYNTHETIC STAPLE FIBRE	KG
606	20.10	NONTEXTURED FILAMENT YARN	KG
607	6.50	OTHER STAPLE FIBRE YARN	KG
611	1.00	WOVEN FABRIC (c) 85% ARTIFICIAL STAPLE	SM
613	1.00	MMF SHEETING FABRIC	SM
614	1.00	MMF POPLIN & BROADCLOTH FABRIC	SM
615	1.00	MMF PRINTCLOTH FABRIC	SM
617	1.00	MMF TWILL AND SATEEN FABRIC	SM
618	1.00	WOVEN ARTIFICIAL FILAMENT FABRIC	SM
619	1.00	POLYESTER FILAMENT FABRIC	SM
620	1.00	OTHER SYNTHETIC FILAMENT FABRIC	SM
621	14.40	IMPRESSION FABRIC	KG
622	1.00	GLASS FIBRE FABRIC	SM
624	1.00	WOVEN MMF FABRIC, 15% TO 36% WOOL	SM
625	1.00	MMF STAPLE/FILAMENT POPLIN & BROADCLOTH FABRIC	SM
626	1.00	MMF STAPLE/FILAMENT PRINTCLOTH FABRIC	SM
627	1.00	MMF STAPLE/FILAMENT SHEETING FABRIC	SM

628	1.00	MMF STAPLE/FILAMENT TWILL/SATEEN FABRIC	SM
629	1.00	OTHER MMF STAPLE/FILAMENT FABRIC	SM
630	1.40	MMF HANDKERCHIEFS	DZ
631	2.90	MMF GLOVES AND MITTENS	DPR
632	3.80	MMF HOSIERY	DPR
633	30.30	M&B MMF SUITTYPE COATS	DZ
634	34.50	OTHER M&B MMF COATS	DZ
635	34.50	W&G MMF COATS	DZ
636	37.90	MMF DRESSES	DZ
638	15.00	M&B MMF KNIT SHIRTS	DZ
639	12.50	W&G MMF KNIT SHIRTS & BLOUSES	DZ
640	20.10	M&B NOTKNIT MMF SHIRTS	DZ
641	12.10	W&G NOTKNIT MMF SHIRTS & BLOUSES	DZ
642	14.90	MMF SKIRTS	DZ
643	3.76	M&B MMF SUITS	NO
644	3.76	W&G MMF SUITS	NO
645	30.80	M&B MMF SWEATERS	DZ
646	30.80	W&G MMF SWEATERS	DZ
647	14.90	M&B MMF TROUSERS/BREECHES/SHORTS	DZ
648	14.90	W&G MMF TROUSERS/BREECHES/SHORTS	DZ
649	4.00	MMF BRAS & OTHER BODY SUPPORT GARMENTS	DZ
650	42.60	MMF ROBES, DRESSING GOWNS, ETC.	DZ
651	43.50	MMF NIGHTWEAR & PAJAMAS	DZ
652	13.40	MMF UNDERWEAR	DZ
653	34.50	M&B MMF DOWNFILLED COATS	DZ
654	34.50	W&G MMF DOWNFILLED COATS	DZ
659	14.40	OTHER MMF APPAREL	KG
665	1.00	MMF FLOOR COVERINGS	SM
666	14.40	OTHER MMF FURNISHINGS	KG
669	14.40	OTHER MMF MANUFACTURES	KG
670	3.70	MMF FLAT GOODS, HANDBAGS, LUGGAGE	KG
800	8.50	YARN, SILK BLENDS/VEGETABLE FIBRE	KG
810	1.00	WOVEN FABRIC, SILK BLENDS/VEGETABLE FIBRE	SM
831	2.90	GLOVES & MITTENS, SILK BLENDS/VEGETABLE FIBRE	DPR
832	3.80	HOSIERY, SILK BLENDS/VEGETABLE FIBRE	DPR
833	30.30	M&B SUITTYPE COATS, SILK BLENDS/VEGETABLE FIBRE	DZ
834	34.50	OTHER M&B COATS, SILK BLENDS/VEGETABLE FIBRE	DZ
835	34.50	W&G COATS, SILK BLENDS/VEGETABLE FIBRE	DZ
836	37.90	DRESSES, SILK BLENDS/VEGETABLE FIBRE	DZ
838	11.70	KNIT SHIRTS & BLOUSES, SILK BLENDS/VEGETABLE FIBRE	DZ
839	6.30	BABIES' GARM & CLOTHING ACCESSORIES, SILK/VEG FIBRE	KG
840	16.70	NOTKNIT SHIRTS & BLOUSES, SILK BLENDS/VEGETABLE FIBRE	DZ
842	14.90	SKIRTS, SILK BLENDS/VEGETABLE FIBRES	DZ
843	3.76	M&B SUITS, SILK BLENDS/VEGETABLE FIBRE	NO
844	3.76	W&G SUITS, SILK BLENDS/VEGETABLE FIBRE	NO
845	30.80	SWEATERS, NON-COTTON VEGETABLE FIBRES	DZ
846	30.80	SWEATERS, SILK BLENDS	DZ
847	14.90	TROUSERS/BREECHES/SHORTS, SILK BLENDS/VEGETABLE FIBRE	DZ
850	42.60	ROBES, DRESSING GOWNS, ETC, SILK BLENDS/ VEGETABLE	DZ

		FIBRE	
851	43.50	NIGHTWEAR & PYJAMAS, SILK BLENDS/VEGETABLE FIBRE	DZ
852	11.30	UNDERWEAR, SILK BLENDS/VEGETABLE FIBRE	DZ
858	6.60	NECKWEAR, SILK BLENDS/VEGETABLE FIBRE	KG
859	12.50	OTHER SILK BLEND/VEGETABLE FIBRE APPAREL	KG
863	0.40	TOWELS, SILK BLENDS/VEGETABLE FIBRES	NO
870	3.70	LUGGAGE, SILK BLENDS/VEGETABLE FIBRES	KG
871	3.70	HANDBAGS & FLATGOODS, SILK BLENDS/VEGETABLE FIBRE	KG
899	11.10	OTHER SILK BLENDS/VEGETABLE FIBRE MANUFACTURES	KG

4. The following conversion factors shall apply to the following goods not covered by a U.S. category:

U.S. Harmonized System Statistical Provision	Conversion Factor	Primary Unit of Measure	Description
5208.31.2000	1.00	SM	WOVEN FABRIC, 85%> COTTON, <100G/M2 CERTIFIED HANDLOOM FABRIC, DYED
5208.32.1000	1.00	SM	WOVEN FABRIC, 85%> COTTON, 100200G/M2 CERTIFIED HANDLOOM FABRIC, DYED
5208.41.2000	1.00	SM	WOVEN FABRIC, (c)~85% COTTON (c)~100G/M2 CERTIFIED HANDLOOM, YARNS OF DIFFERENT COLOURS
5208.42.1000	1.00	SM	WOVEN FABRIC, (c)~85% COTTON 100200G/M2 CERTIFIED HANDLOOM, YARNS OF DIFFERENT COLOURS
5208.51.2000	1.00	SM	WOVEN FABRIC, 85%> COTTON (c)~100G/M2 PLAIN WEAVE, CERTIFIED HAND-LOOM, PRINTED
5208.52.1000	1.00	SM	WOVEN FABRIC, (c)~85% COTTON 100200G/M2 PLAIN WEAVE, CERTIFIED HAND-LOOM, PRINTED
5209.31.3000	1.00	SM	WOVEN FABRIC, 85%> COTTON >200G/M2 PLAIN WEAVE, CERTIFIED HAND-LOOM, DYED
5209.41.3000	1.00	SM	WOVEN FABRIC, 85%> COTTON >200G/M2, PLAIN WEAVE, YARNS OF DIFFERENT COLOURS
5209.51.3000	1.00	SM	WOVEN FABRIC, >85% COTTON >200G/M2, PLAIN WEAVE, CERTIFIED HAND-LOOM, PRINTED
5307.10.0000	8.50	KG	YARN, JUTE OR OTHER TEXTILE BAST FIBRE (EXCLUDING FLAX/HEMP/RAMIE), SINGLE
5307.20.0000	8.50	KG	YARN, JUTE OR OTHER TEXTILE BAST FIBRE (EX. FLAX/HEMP/RAMIE), MULTIPLE/CABLE
5308.10.0000	8.50	KG	YARN, COIR
5308.30.0000	8.50	KG	YARN, PAPER
5310.10.0020	1.00	SM	WOVEN FABRIC, JUTE OR OTHER TEXTILE BAST FIBRE (EX. FLAX/HEMP/RAMIE), (c)~130CM WIDE, UNBLEACHED
5310.10.0040	1.00	SM	WOVEN FABRIC, JUTE OR OTHER TEXTILE BAST FIBRE (EX. FLAX/HEMP/RAMIE) >130 TO (c)~250 CM WIDE, UNBLEACHED

5310.10.0060	1.00	SM	WOVEN FABRIC, JUTE OR OTHER TEXTILE BAST FIBRE (EX. FLAX/HEMP/RAMIE), >250 CM WIDE, UNBLEACHED
5310.90.0000	1.00	SM	WOVEN FABRIC, JUTE OR OTHER TEXTILE BAST FIBRE (EXCLUDING FLAX/HEMP/RAMIE), NES
5311.00.6000	1.00	SM	WOVEN FABRIC OF PAPER YARN
5402.10.3020	20.10	KG	NYLON HIGH TENACITY YARN, <5 TURNS PER METRE, NOT FOR RETAIL SALE
5402.20.3020	20.10	KG	POLYESTER HIGH TENACITY YARN, <5 TURNS PER METRE, NOT FOR RETAIL SALE
5402.41.0010	20.10	KG	NYLON MULTIFILAMENT YARN, PARTIALLY ORIENTED, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE
5402.41.0020	20.10	KG	NYLON MONO/MULTIFILAMENT YARN, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE, NES
5402.41.0030	20.10	KG	NYLON MONO/MULTIFILAMENT YARN, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE
5402.42.0000	20.10	KG	POLYESTER YARN, PARTIALLY ORIENTED, UNTWIST/TWIST (c)~ 50 TURNS/METRE, NOT FOR RETAIL SALE
5402.43.0020	20.10	KG	POLYESTER YARN, MONOFILAMENT, UNTWIST/TWIST (c)~5 TURNS/METRE, NOT FOR RETAIL SALE
5402.49.0010	20.10	KG	POLYETHYLENE/POLYPROPYLENE FILAMENT YARN, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE
5402.49.0050	20.10	KG	SYNTHETIC FILAMENT YARN, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE, NES
5403.10.3020	20.10	KG	VISCOSE RAYON HIGH TENACITY FILAMENT YARN, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE
5403.31.0020	20.10	KG	VISCOSE RAYON FILAMENT YARN, SINGLE, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE
5403.33.0020	20.10	KG	CELLULOSE ACETATE FILAMENT YARN, SINGLE, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE
5403.39.0020	20.10	KG	ARTIFICIAL FILAMENT YARN, UNTWIST/TWIST <5 TURNS/METRE, NOT FOR RETAIL SALE, NES
5404.10.1000	20.10	KG	SYNTHETIC MONOFILAMENT RACKET STRINGS, (c) ⁻⁶⁷ DECITEX, CROSS-SECT. DIMENSION >1MM
5404.10.2020	20.10	KG	NYLON MONOFILAMENT, (c) ⁻⁶⁷ DECITEX, CROSSECTIONAL DIMENSION >1MM,
5404.10.2040	20.10	KG	POLYESTER MONOFILAMENT, >67 DECITEX, CROSSECTIONAL DIMENSION >1MM
5404.10.2090	20.10	KG	SYNTHETIC MONOFILAMENT (c) ⁻⁶⁷ DECITEX, CROSSECTIONAL DIMENSION >1MM, NES
5404.90.0000	20.10	KG	SYNTHETIC STRIP WIDTH (c)~5MM
5405.00.3000	20.10	KG	ARTIFICIAL MONOFILAMENT, (c) ⁻⁶⁷ DECITEX, CROSSECTIONAL DIMENSION (c)~ 1MM

5405.00.6000	20.10	KG	ARTIFICIAL STRIP AND THE LIKE, WIDTH (c)~ 5MM
5407.30.1000	1.00	SM	WOVEN SYNTHETIC FILAMENT FABRIC WITH YARN AT ACUTE/RIGHT ANGLES, >60% PLASTIC
5501.10.0000	7.60	KG	NYLON/OTHER POLYAMIDE FILAMENT TOW
5501.20.0000	7.60	KG	POLYESTER FILAMENT TOW
5501.30.0000	7.60	KG	ACRYLIC OR MODACRYLIC FILAMENT TOW
5501.90.0000	7.60	KG	SYNTHETIC FILAMENT TOW, NES
5502.00.0000	6.30	KG	ARTIFICIAL FILAMENT TOW
5503.10.0000	7.60	KG	NYLON/OTHER POLYAMIDE STAPLE FIBRES NOT CARDED/COMBED OR OTHERWISE PROCESSED
5503.20.0000	7.60	KG	POLYESTER STAPLE FIBRES NOT CARDED/COMBED, OR OTHERWISE PROCESSED
5503.30.0000	7.60	KG	ACRYLIC/MODOACRYLIC STAPLE FIBRES, NOT CARDED/COMBED OR OTHERWISE PROCESSED
5503.40.0000	7.60	KG	POLYPROPYLENE STAPLE FIBRES NOT CARDED/COMBED OR OTHERWISE PROCESSED
5503.90.0000	7.60	KG	SYNTHETIC STAPLE FIBRE NOT CARDED/COMBED, OR OTHERWISE PROCESSED, NES
5504.10.0000	6.30	KG	VISCOSE RAYON STAPLE FIBRES NOT CARDED/COMBED OR OTHERWISE PROCESSED
5504.90.0000	6.30	KG	ARTIFICIAL STAPLE FIBRES NOT CARDED/COMBED OR OTHERWISE PROCESSED, NES
5505.10.0020	7.60	KG	WASTE, NYLON AND OTHER POLYAMIDES
5505.10.0040	7.60	KG	WASTE, POLYESTER
5505.10.0060	7.60	KG	WASTE, MMF SYNTHETIC FIBRES, NES
5505.20.0000	6.30	KG	WASTE, MMF ARTIFICIAL FIBRES
5506.10.0000	7.60	KG	NYLON/OTHER POLYAMIDES FIBRES, CARDED/COMBED OR OTHERWISE PROCESSED
5506.20.0000	7.60	KG	POLYESTER STAPLE FIBRE, CARDED/COMBED, OR OTHERWISE PROCESSED
5506.30.0000	7.60	KG	ACRYLIC/MODOACRYLIC STAPLE FIBRE, CARDED/COMBED OR OTHERWISE PROCESSED
5506.90.0000	7.60	KG	SYNTHETIC STAPLE FIBRE CARDED/COMBED OR OTHERWISE PROCESSED, NES
5507.00.0000	6.30	KG	ARTIFICIAL STAPLE FIBRES, CARDED/COMBED, OR OTHERWISE PROCESSED
5801.90.2010	1.00	SM	WOVEN PILE FABRIC, >85% SILK OR SILK WASTE
5802.20.0010	1.00	SM	TERRY TOWELLING FABRIC, >85% SILK OR SILK WASTE
5802.30.0010	1.00	SM	TUFTED TEXTILE FABRIC, >85% SILK OR SILK WASTE
5803.90.4010	1.00	SM	GAUZE, >85% SILK OR SILK WASTE
5804.10.0010	11.10	KG	TULLES & OTHER NETTING FABRIC, KNIT OR CROCHETED, >85% SILK OR SILK WASTE
5804.29.0010	11.10	KG	LACE IN THE PIECE/STRIP/MOTIF, >85% SILK OR SILK WASTE
5804.30.0010	11.10	KG	HANDMADE LACE IN PIECE/STRIP/MOTIF, >85% SILK OR SILK WASTE
5805.00.1000	1.00	SM	HANDWOVEN TAPESTRIES FOR WALLHANGINGS, VALUED AT >\$215\ SM
5805.00.2000	1.00	SM	HANDWOVEN TAPESTRIES, NES, WOOL, CERTIFIED HANDLOOMED

5805.00.4090	1.00	SM	HANDWOVEN TAPESTRIES, NES
5806.10.3010	11.10	KG	NARROW WOVEN PILE & CHENILLE FABRIC, >85% SILK OR SILK WASTE
5806.39.3010	11.10	KG	NARROW WOVEN FABRIC, NOT PILE, >85% SILK OR SILK WASTE
5806.40.0000	13.60	KG	NARROW FABRIC, WARP WITHOUT WEFT WITH AN ADHESIVE (BOLDUCS)
5807.10.1090	11.10	KG	WOVEN LABELS, TEXTILE MATERIALS, NOT EMBROIDERED, NOT COTTON OR MMF
5807.10.2010	8.50	KG	WOVEN BADGES AND SIMILAR ARTICLES, COTTON, NOT EMBROIDERED
5807.10.2020	14.40	KG	WOVEN BADGES/SIMILAR ARTICLES, MMF, NOT EMBROIDERED
5807.10.2090	11.10	KG	WOVEN BADGES/SIMILAR ARTICLES, TEXTILE MATERIALS, NOT EMBROIDERED, NOT COTTON/MMF
5807.90.10901	1.10	KG	NOT-WOVEN LABELS OF TEXTILE MATERIALS, NOT EMBROIDERED, NOT COTTON/MMF
5807.90.2010	8.50	KG	NOT-WOVEN BADGES/SIMILAR ARTICLES, COTTON, NOT EMBROIDERED
5807.90.2020	14.40	KG	NOT-WOVEN BADGES/SIMILAR ARTICLES, MMF, NOT EMBROIDERED
5807.90.2090	11.10	KG	NOT-WOVEN BADGES/SIMILAR ARTICLES, TEX MATERIALS, NOT EMBROIDERED, NOT COTTON/MMF
5808.10.2090	11.10	KG	BRAIDS IN PIECE FOR HEADWEAR, OTHER TEXTILE MATERIALS, NES, NOT KNIT OR EMBROIDERED
5808.10.3090	11.10	KG	BRAID IN PIECE, NES, NES
5808.90.0090	11.10	KG	ORNAMENTAL TRIMMING IN PIECE, TEXTILE MATERIALS, NOT KNIT OR EMBROIDERED, NOT COTTON/MMF
5810.92.0040	14.40	KG	EMBROIDERED BADGES/EMBLEMS/MOTIFS WITH VISIBLE GROUND, MMF
5810.99.0090	11.10	KG	EMBROIDERY PIECES/STRIPS/MOTIFS WITH VISIBLE GROUND, TEXTILE MATERIALS, NES
5811.00.4000	1.00	SM	QUILTED PIECES, 1(c) ⁻ LAYER TEXTILE MATERIALS, TEXTILE MATERIALS, NES
6001.99.0010	1.00	SM	KNIT OR CROCHETED PILE FABRIC (c) ⁻ 85% SILK OR SILK WASTE
6002.99.0010	11.10	KG	KNIT OR CROCHETED FABRIC, NES (c) ⁻ 85% SILK OR SILK WASTE
6301.90.0020	11.10	NO	BLANKET/TRAVELLING RUGS, >85% SILK OR SILK WASTE
6302.29.0010	11.10	NO	BED LINEN, PRINTED >85% SILK OR SILK WASTE
6302.39.0020	11.10	NO	BED LINEN, NES, >85% SILK OR SILK WASTE
6302.99.1000	11.10	NO	LINEN, NES, >85% SILK OR SILK WASTE
6303.99.0030	11.10	NO	CURTAINS, INTERIOR BLINDS, NOT KNIT OR CROCHETED, >85% SILK OR SILK WASTE
6304.19.3030	11.10	NO B	EDSPREADS, NOT KNIT OR CROCHETED, >85% SILK OR SILK WASTE
6304.91.0060	11.10	NO	FURNISHING ARTICLES, NES, KNIT OR CROCHETED >85% SILK OR SILK WASTE
6304.99.1000	1.00	SM	WALL HANGINGS, WOOL OR FINE ANIMAL HAIR,

6304.99.2500	11.10	KG	CERTIFIED HAND-LOOMED/FOLKLORE, NOT KNIT
6304.99.4000	3.70	KG	WALL HANGINGS, JUTE, NOT KNIT
6304.99.6030	11.10	KG	PILLOW COVERS, WOOL OR FINE ANIMAL HAIR, CERTIFIED HAND-LOOMED/FOLKLORE
6305.10.0000	11.10	KG	OTHER FURNISHING ARTICLES, NOT KNIT, NES >85% SILK OR SILK WASTE
6306.21.0000	8.50	KG	SACKS & BAGS, JUTE/BAST FIBRES
6306.22.1000	14.40	NO	TENTS OF COTTON
6306.22.9010	14.40	KG	BACKPACK TENTS, SYNTHETIC FIBRES
6306.29.0000	14.40	KG	SCREEN HOUSES, SYNTHETIC FIBRES
6306.31.0000	14.40	KG	TENTS, TEXTILE MATERIALS NES
6306.39.0000	8.50	KG	SAILS, SYNTHETIC FIBRES
6306.41.0000	8.50	KG	SAILS, TEXTILE MATERIALS NES
6306.49.0000	14.40	KG	PNEUMATIC MATTRESSES, COTTON
6306.91.0000	8.50	KG	PNEUMATIC MATTRESSES, TEXTILE MATERIALS NES
6306.99.0000	14.40	KG	CAMPING GOODS NES, COTTON
6307.10.2030	8.50	KG	CAMPING GOODS, TEXTILE MATERIALS NES
6307.20.0000	11.40	KG	CLEANING CLOTHS NES
6307.90.6010	8.50	KG	LIFEJACKETS AND LIFEBELTS
6307.90.6090	8.50	KG	PERINEAL TOWELS, FABRIC WITH PAPER BASE
6307.90.7010	14.40	KG	OTHER SURGICAL DRAPES, FABRIC WITH PAPER BASE
6307.90.7020	8.50	KG	SURGICAL DRAPES, DISPOSAL & NONWOVEN MMF
6307.90.7500	8.50	NO	SURGICAL DRAPES NES
6307.90.8500	8.50	KG	TOYS FOR PETS, TEXTILE MATERIALS
6307.90.9425	14.50	NO	WALL BANNERS, MANMADE FIBRES
6307.90.9435	14.50	NO	NATIONAL FLAGS OF THE UNITED STATES
6307.90.9490	14.50	KG	NATIONAL FLAGS OF NATIONS OTHER THAN THE UNITED STATES
6309.00.0010	8.50	KG	OTHER MADEUP ARTICLES NES
6309.00.0020	8.50	KG	WORN CLOTHING & OTHER WORN ARTICLES
6310.10.1000	3.70	KG	WORN CLOTHING & OTHER WORN ARTICLES, NES
6310.10.2010	8.50	KG	RAGS/SCRAP/TWINE/CORDAGE/ROPE/CABLES, SORTED, WOOL OR FINE ANIMAL HAIR
6310.10.2020	14.40	KG	RAGS/SCRAP/TWINE/CORDAGE/ROPE/CABLES, SORTED, COTTON
6310.10.2030	11.10	KG	RAGS/SCRAP/TWINE/CORDAGE/ROPE/CABLES, SORTED, MMF
6310.90.1000	3.70	KG	RAGS/SCRAP/TWINE/CORDAGE/ROPE/CABLES, SORTED, NOT COTTON/MMF
6310.90.2000	8.50	KG	RAGS/SCRAP/TWINE/CORDAGE/ROPE/CABLES, NOT SORTED, WOOL OR FINE ANIMAL HAIR
6501.00.30	4.4	DZ	RAGS/SCRAP/TWINE/CORDAGE/ROPE/CABLES, NOT SORTED, NOT WOOL
6501.00.60	4.4	DZ	HAT FORMS/BODIES, NOT BLOCKED, NO BRIMS, FUR, MEN'S AND BOYS'
6502.00.20	18.7	DZ	HAT FORMS/BODIES, NOT BLOCKED, NO BRIMS, FUR, WOMEN'S AND GIRLS'
6502.00.40	18.7	DZ	HAT SHAPES, ASSEMBLED FROM STRIPS, VEGETABLE FIBRE, SEWED
			HAT SHAPES, PLAITED OR ASSEMBLED FROM STRIPS,

			VEGETABLE FIBRE, NOT-SEWED, NOT BLEACHED/COLOURED
6502.00.60	18.7	DZ	HAT SHAPES, PLAITED OR ASSEMBLED FROM STRIPS, VEGETABLE FIBRE, NOT-SEWED, BLEACHED/COLOURED
6503.00.30	5.8	DZ	FELT HATS AND OTHER HEADGEAR, MEN'S AND BOYS'
6503.00.60	5.8	DZ	FELT HATS AND OTHER HEADGEAR, NES
6504.00.30	7.5	DZ	HATS AND OTHER HEADGEAR, ASSEMBLED FROM STRIPS, VEGETABLE FIBRE, SEWED
6504.00.60	7.5	DZ	HATS AND OTHER HEADGEAR, ASSEMBLED FROM STRIPS
6601.10.00	17.9	DZ	GARDEN OR SIMILAR UMBRELLAS
6601.91.00	17.8	DZ	OTHER UMBRELLAS, TELESCOPIC SHAFT
6601.99.00	11.2	DZ	OTHER UMBRELLAS, NES

5.

- (a) The primary unit of measure for the following tariff items in U.S. category 666 shall be NO and shall be converted into SME by a factor of 5.5:

6301.10.0000	ELECTRIC BLANKETS
6301.40.0010	BLANKETS (NOT ELECTRIC) & TRAVEL RUGS OF SYNTHETIC FIBRE, WOVEN
6301.40.0020	BLANKETS (NOT ELECTRIC) & TRAVEL RUGS OF SYNTHETIC FIBRE, NES
6301.90.0010	BLANKETS AND TRAVELLING RUGS OF ARTIFICIAL FIBRE
6302.10.0020	BED LINEN, KNITTED OR CROCHETED FABRIC, EXCLUDING COTTON
6302.22.1030	SHEETS WITH TRIM, NAPPED, PRINTED, MANMADE FIBRE
6302.22.1040	SHEETS WITH TRIM, NOT NAPPED, PRINTED, MANMADE FIBRE
6302.22.1050	BOLSTER CASES WITH TRIM, PRINTED, MANMADE FIBRE
6302.22.1060	BED LINEN WITH TRIM, PRINTED, MANMADE FIBRE, NES
6302.22.2020	SHEETS, NOT TRIMMED, PRINTED, MANMADE FIBRE
6302.22.2030	BED LINEN, NOT TRIMMED, PRINTED, MANMADE FIBRE, NES
6302.32.1030	SHEETS WITH TRIM, NAPPED, MANMADE FIBRE
6302.32.1040	SHEETS WITH TRIM, NOT NAPPED, MANMADE FIBRE
6302.32.1050	BOLSTER CASES WITH TRIM, MANMADE FIBRE
6302.32.1060	BED LINEN WITH TRIM, MANMADE FIBRE, NES
6302.32.2030	SHEETS, NOT TRIMMED, NAPPED, MANMADE FIBRE
6302.32.2040	SHEETS NOT TRIMMED, NOT NAPPED, MANMADE FIBRE
6302.32.2050	BOLSTER CASES, NOT TRIMMED, MANMADE FIBRE
6302.32.2060	BED LINEN NES, MANMADE FIBRE
6304.11.2000	BEDSPREADS, KNIT/CROCHETED, MANMADE FIBRE
6304.19.1500	BEDSPREADS WITH TRIM, MANMADE FIBRE, NES
6304.19.2000	BEDSPREADS, MANMADE FIBRE, NES

- (b) The primary unit of measure for the following tariff items in U.S. category 666 shall be NO and shall be converted into SME by a factor of 0.9:

6302.22.1010	PILLOWCASES WITH TRIM, PRINTED, NAPPED, MANMADE FIBRE
6302.22.1020	PILLOWCASES WITH TRIM, PRINTED, NOT NAPPED, MANMADE FIBRE
6302.22.2010	PILLOWCASES, NOT TRIMMED, PRINTED, MANMADE FIBRE

6302.32.1010	PILLOWCASES WITH TRIM, NAPPED, MANMADE FIBRE
6302.32.1020	PILLOWCASES WITH TRIM, NOT NAPPED, MANMADE FIBRE
6302.32.2010	PILLOWCASES, NOT TRIMMED, NAPPED, MANMADE FIBRE
6302.32.2020	PILLOWCASES NOT TRIMMED, NOT NAPPED, MANMADE FIBRE

6. The primary unit of measure for garment parts of subheadings 6117.90 and 6217.90 shall be KG and shall be converted into SME by applying the following factors:

Cotton apparel	8.50
Wool apparel	3.70
Man-made fibre apparel	14.40
Other non-cotton vegetable fibre apparel	12.50

For the purposes of this Schedule:

DPR means dozen pair;
DZ means dozen;
KG means kilogram;
NO means number; and
SM means square metre.

Appendix 6

Country-Specific Definitions

Definitions Specific to Canada

general import statistics means statistics issued by Statistics Canada or, where available, import permit data provided by the Export and Import Permits Bureau of the Department of Foreign Affairs and International Trade, or their successors.

Definitions Specific to Chile

general import statistics means statistics issued by the Central Bank (Banco Central) provided by the Ministry of Foreign Affairs of Chile, or their successors.

CHAPTER D: RULES OF ORIGIN

Article D-01:

Originating Goods

Except as otherwise provided in this Chapter, a good shall originate in the territory of a Party where:

- (a) the good is wholly obtained or produced entirely in the territory of one or both of the Parties, as defined in Article D-16;
- (b) each of the non-originating materials used in the production of the good undergoes an applicable change in tariff classification set out in Annex D-01 as a result of production occurring entirely in the territory of one or both of the Parties, or the good otherwise satisfies the applicable requirements of that Annex

where no change in tariff classification is required, and the good satisfies all other applicable requirements of this Chapter;

- (c) the good is produced entirely in the territory of one or both of the Parties exclusively from originating materials; or
- (d) except for a good provided for in Chapters 61 through 63 of the Harmonized System, the good is produced entirely in the territory of one or both of the Parties but one or more of the non-originating materials that are used in the production of the good do not undergo a change in tariff classification because
 - (i) the good was imported into the territory of a Party in an unassembled or a disassembled form but was classified as an assembled good pursuant to Rule 2(a) of the General Rules for the Interpretation of the Harmonized System, or
 - (ii) the heading for the good provides for and specifically describes both the good itself and its parts and is not further subdivided into subheadings, or the subheading for the good provides for and specifically describes both the good itself and its parts, provided that the regional value content of the good, determined in accordance with Article D-02, is not less than 35 per cent where the transaction value method is used, or is not less than 25 per cent where the net cost method is used, and that the good satisfies all other applicable requirements of this Chapter¹.

Article D-02:

Regional Value Content

1. Except as provided in paragraph 5, each Party shall provide that the regional value content of a good shall be calculated, at the choice of the exporter or producer of the good, on the basis of either the transaction value method set out in paragraph 2 or the net cost method set out in paragraph 3.

2. Each Party shall provide that an exporter or producer may calculate the regional value content of a good on the basis of the following transaction value method:

$$RVC = \frac{TV - VNM}{TV} \times 100$$

where

RVC is the regional value content, expressed as a percentage;

TV is the transaction value of the good adjusted to a F.O.B. basis; and

VNM is the value of non-originating materials used by the producer in the production of the good.

3. Each Party shall provide that an exporter or producer may calculate the regional value content of a good on the basis of the following net cost method:

$$\text{RVC} = \frac{\text{NC} - \text{VNM}}{\text{NC}} \times 100$$

where

RVC is the regional value content, expressed as a percentage;

NC is the net cost of the good; and

VNM is the value of non-originating materials used by the producer in the production of the good.

4. The value of non-originating materials used by the producer in the production of a good shall not, for purposes of calculating the regional value content of the good under paragraph 2 or 3, include the value of non-originating materials used to produce originating materials that are subsequently used in the production of the good².

5. Each Party shall provide that an exporter or producer shall calculate the regional value content of a good solely on the basis of the net cost method set out in paragraph 3 where:

- (a) there is no transaction value for the good;
- (b) the transaction value of the good is unacceptable under Article 1 of the Customs Valuation Code;
- (c) the good is sold by the producer to a related person and the volume, by units of quantity, of sales of identical or similar goods to related persons during the six-month period immediately preceding the month in which the good is sold exceeds 85 per cent of the producer's total sales of such goods during that period;
- (d) the good is
 - (i) a motor vehicle,
 - (ii) identified in Annex D-03.1 and is for use in a motor vehicle, or
 - (iii) provided for in subheading 6401.10 through 6406.10;
- (e) the exporter or producer chooses to accumulate the regional value content of the good in accordance with Article D-04; or
- (f) the good is designated as an intermediate material under paragraph 10 and is subject to a regional value-content requirement.

6. If an exporter or producer of a good calculates the regional value content of the good on the basis of the transaction value method set out in paragraph 2 and a Party subsequently notifies the exporter or producer, during the course of a verification pursuant to Chapter E (Customs

Procedures), that the transaction value of the good, or the value of any material used in the production of the good, is required to be adjusted or is unacceptable under Article 1 of the Customs Valuation Code, the exporter or producer may then also calculate the regional value content of the good on the basis of the net cost method set out in paragraph 3.

7. Nothing in paragraph 6 shall be construed to prevent any review or appeal available under Article E-10 (Review and Appeal) of an adjustment to or a rejection of:

- (a) the transaction value of a good; or
- (b) the value of any material used in the production of a good.

8. For purposes of calculating the net cost of a good under paragraph 3, the producer of the good may:

- (a) calculate the total cost incurred with respect to all goods produced by that producer, subtract any sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs, and non-allowable interest costs that are included in the total cost of all such goods, and then reasonably allocate the resulting net cost of those goods to the good;
- (b) calculate the total cost incurred with respect to all goods produced by that producer, reasonably allocate the total cost to the good, and then subtract any sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs and non-allowable interest costs that are included in the portion of the total cost allocated to the good; or
- (c) reasonably allocate each cost that forms part of the total cost incurred with respect to the good so that the aggregate of these costs does not include any sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs, and non-allowable interest costs, provided that the allocation of all such costs is consistent with the provisions regarding the reasonable allocation of costs set out in the Uniform Regulations, established under Article E-11 (Customs Procedures - Uniform Regulations)³.

9. Except as provided in paragraph 11, the value of a material used in the production of a good shall:

- (a) be the transaction value of the material determined in accordance with Article 1 of the Customs Valuation Code; or
- (b) in the event that there is no transaction value or the transaction value of the material is unacceptable under Article 1 of the Customs Valuation Code, be determined in accordance with Articles 2 through 7 of the Customs Valuation Code; and
- (c) where not included under subparagraph (a) or (b), include
 - (i) freight, insurance, packing and all other costs incurred in transporting the material to the location of the producer,

- (ii) duties, taxes and customs brokerage fees on the material paid in the territory of one or both of the Parties, and
- (iii) the cost of waste and spoilage resulting from the use of the material in the production of the good, less the value of renewable scrap or by-product.

10. Any self-produced material that is used in the production of a good may be designated by the producer of the good as an intermediate material for the purpose of calculating the regional value content of the good under paragraph 2 or 3, provided that where the intermediate material is subject to a regional value-content requirement, no other self-produced material subject to a regional value-content requirement used in the production of that intermediate material may itself be designated by the producer as an intermediate material⁴.

11. The value of an intermediate material shall be:

- (a) the total cost incurred with respect to all goods produced by the producer of the good that can be reasonably allocated to that intermediate material; or
- (b) the aggregate of each cost that forms part of the total cost incurred with respect to that intermediate material that can be reasonably allocated to that intermediate material.

12. The value of an indirect material shall be based on the Generally Accepted Accounting Principles applicable in the territory of the Party in which the good is produced.

13. Notwithstanding the regional value-content requirement specified in an applicable rule in Annex D-01 for the tariff provision under which a good is classified, a good shall be an originating good where:

- (a) the good is provided in tariff item 6402.19.aa (sports footwear with rubber or plastic soles and uppers, for golf, hiking, running or curling), subheading 6402.99, tariff item 6403.19.aa (sports footwear with leather uppers, for riding, golf, hiking, climbing, curling, bowling, skating or training), subheading 6403.40 or 6403.91, tariff item 6404.11.aa (hiking footwear with rubber soles and canvas uppers), 6404.11.bb (hiking footwear with plastic soles and canvas uppers) or 6404.19.aa (shoes or sandals with plastic soles and canvas uppers) or subheading 6406.10;
- (b) each of the non-originating materials used in the production of the good undergoes the change of tariff classification specified in the applicable rule in Annex D-01 for that tariff provision;
- (c) the regional value content of that good is not less than
 - (i) 40 per cent under the net cost method for the period January 1, 1997, to December 31, 1997,
 - (ii) 45 per cent under the net cost method for the period January 1, 1998, to December 31, 1998,

- (iii) 50 per cent under the net cost method for the period January 1, 1999, to December 31, 1999, and
 - (iv) 55 per cent under the net cost method on January 1, 2000, and thereafter; and
 - (d) the good meets any other applicable requirements set out in this Chapter.
14. Notwithstanding the regional value-content requirement specified in an applicable rule in Annex D-01 for the tariff provision under which a good is classified, a good shall be an originating good where:

- (a) the good is provided for in heading 64.01, subheading 6402.12, tariff item 6402.19.bb (sports footwear with rubber or plastic soles and uppers, for soccer, other football, baseball or bowling), subheading 6402.20 through 6402.91 or 6403.12, tariff item 6403.19.bb (sports footwear with leather uppers, for soccer, other football or baseball) or 6403.19.cc (sports footwear with leather uppers, for other purposes), subheading 6403.20 through 6403.30, 6403.51 through 6403.59 or 6403.99, tariff item 6404.11.cc (sports footwear with rubber soles and canvas uppers, for soccer, training or tennis), 6404.11.dd (sports footwear with plastic soles and canvas uppers, for soccer, training or tennis) or 6404.19.bb (shoes or sandals with rubber soles and canvas uppers), subheading 6404.20, heading 64.05 or subheading 6406.20 through 6406.99;
- (b) each of the non-originating materials used in the production of the good undergoes the change of tariff classification specified in the applicable rule in Annex D-01 for that tariff provision;
- (c) the regional value content of that good is not less than
 - (i) 40 per cent under the net cost method for the period January 1, 1997, to December 31, 1997,
 - (ii) 47.5 per cent under the net cost method for the period January 1, 1998, to December 31, 1998, and
 - (iii) 55 per cent under the net cost method on January 1, 1999, and thereafter; and
- (d) the good meets any other applicable requirements set out in this Chapter.

Article D-03:

Automotive Goods

1. Notwithstanding the regional value-content requirement specified in an applicable rule in Annex D-01 for the tariff provision under which a good is classified, a good shall be an originating good where:

- (a) the good is provided for in a tariff provision identified in Annex D-03.1;

- (b) the good is for use in a motor vehicle;
 - (c) each of the non-originating materials used in the production of the good undergoes the change of tariff classification specified in the applicable rule in Annex D-01 for that tariff provision;
 - (d) the regional value content of that good is not less than 30 per cent under the net cost method; and
 - (e) the good meets any other applicable requirements set out in this Chapter.
2. For purposes of calculating the regional value content of a motor vehicle, the producer may average its calculation over its fiscal year, using any one of the following categories, on the basis of either all motor vehicles in the category or only those motor vehicles in the category that are exported to the territory of the other Party:
- (a) the same model line of motor vehicles in the same class of vehicles produced in the same plant in the territory of a Party;
 - (b) the same class of motor vehicles produced in the same plant in the territory of a Party;
 - (c) the same model line of motor vehicles produced in the territory of a Party; or
 - (d) if applicable, the basis set out in Annex D-03.2.
3. For purposes of calculating the regional value content for any or all goods provided for in a tariff provision listed in Annex D-03.1 produced in the same plant, the producer of the good may:
- (a) average its calculation
 - (i) over the fiscal year of the motor vehicle producer to whom the good is sold,
 - (ii) over any quarter or month, or
 - (iii) over its fiscal year, if the good is sold as an aftermarket part;
 - (b) calculate the average referred to in subparagraph (a) separately for any or all goods sold to one or more motor vehicle producers; or
 - (c) with respect to any calculation under this paragraph, calculate separately for those goods that are exported to the territory of the other Party.

Article D-04:

Accumulation

1. For purposes of determining whether a good is an originating good, the production of the good in the territory of one or both of the Parties by one or more producers shall, at the choice of

the exporter or producer of the good for which preferential tariff treatment is claimed, be considered to have been performed in the territory of either of the Parties by that exporter or producer, provided that:

- (a) all non-originating materials used in the production of the good undergo an applicable tariff classification change set out in Annex D-01, and the good satisfies any applicable regional value-content requirement, entirely in the territory of one or both of the Parties; and
 - (b) the good satisfies all other applicable requirements of this Chapter.
2. For purposes of Article D-02(10), the production of a producer that chooses to accumulate its production with that of other producers under paragraph 1 shall be considered to be the production of a single producer.

Article D-05:

De Minimis

1. Except as provided in paragraphs 3 through 6, a good shall be considered to be an originating good if the value of all non-originating materials used in the production of the good that do not undergo an applicable change in tariff classification set out in Annex D-01 is not more than 9 per cent of the transaction value of the good, adjusted to a F.O.B. basis, or, if the transaction value of the good is unacceptable under Article 1 of the Customs Valuation Code, the value of all such non-originating materials is not more than 9 per cent of the total cost of the good, provided that:

- (a) if the good is subject to a regional value-content requirement, the value of such nonoriginating materials shall be taken into account in calculating the regional value content of the good; and
 - (b) the good satisfies all other applicable requirements of this Chapter.
2. A good that is otherwise subject to a regional value-content requirement shall not be required to satisfy such requirement if the value of all non-originating materials used in the production of the good is not more than 9 per cent of the transaction value of the good, adjusted to a F.O.B. basis, or, if the transaction value of the good is unacceptable under Article 1 of the Customs Valuation Code, the value of all non-originating materials is not more than 9 per cent of the total cost of the good, provided that the good satisfies all other applicable requirements of this Chapter.

3. Paragraph 1 does not apply to:

- (a) a non-originating material provided for in Chapter 4 of the Harmonized System or tariff item 1901.90.aa (dairy preparations containing over 10 per cent by weight of milk solids) that is used in the production of a good provided for in Chapter 4 of the Harmonized System;
- (b) a non-originating material provided for in Chapter 4 of the Harmonized System or tariff item 1901.90.aa (dairy preparations containing over 10 per cent by weight of milk solids) that is used in the production of a good provided for in

tariff item 1901.10.aa (infant preparations containing over 10 per cent by weight of milk solids), 1901.20.aa (mixes and doughs, containing over 25 per cent by weight of butterfat, not put up for retail sale), 1901.90.aa (dairy preparations containing over 10 per cent by weight of milk solids), heading 21.05 or tariff item 2106.90.dd (preparations containing over 10 per cent by weight of milk solids), 2202.90.cc (beverages containing milk) or 2309.90.aa (animal feeds containing over 10 per cent by weight of milk solids);

- (c) a non-originating material provided for in Chapter 15 of the Harmonized System that is used in the production of a good provided for in heading 15.01 through 15.08, 15.12, 15.14 or 15.15;
 - (d) a non-originating material provided for in heading 17.01 that is used in the production of a good provided for in heading 17.01 through 17.03;
 - (e) a non-originating material provided for in Chapter 17 of the Harmonized System or heading 18.05 that is used in the production of a good provided for in subheading 1806.10;
 - (f) a non-originating material provided for in heading 22.03 through 22.07 that is used in the production of a good provided for in heading 22.03 through 22.07 or subheading 2208.20;
 - (g) a non-originating material used in the production of a good provided for in tariff item 7321.11.aa (gas stove or range), subheading 8415.10, 8415.20 through 8415.83, 8418.10 through 8418.21, 8418.29 through 8418.40, 8421.12, 8422.11, 8450.11 through 8450.20 or 8451.21 through 8451.29, heading 84.56 through 84.63 or 84.77, tariff item 8516.60.aa (electric stove or range) or subheading 8526.10;
 - (h) a non-originating material provided for in tariff item 8548.10.aa (spent primary cells, spent primary batteries and spent electric accumulators) that is used in the production of a good provided for in heading 85.06 or 85.07; or
 - (i) a printed circuit assembly, including a part that incorporates a printed circuit assembly, that is a non-originating material used in the production of a good where the applicable change in tariff classification for the good, as set out in Annex D-01, places restrictions on the use of such non-originating material.
4. Paragraph 1 does not apply to a non-originating single juice ingredient provided for in heading 20.09 that is used in the production of a good provided for in tariff item 2106.90.cc (concentrated mixtures of fruit or vegetable juice, fortified with minerals or vitamins) or 2202.90.bb (mixtures of fruit or vegetable juices, fortified with minerals or vitamins).
5. Paragraph 1 does not apply to a non-originating material used in the production of a good provided for in Chapter 1 through 21 of the Harmonized System unless the non-originating material is provided for in a different subheading than the good for which origin is being determined under this Article.
6. A good provided for in Chapter 50 through 63 of the Harmonized System that does not originate because certain fibres or yarns used in the production of the component of the good that

determines the tariff classification of the good do not undergo an applicable change in tariff classification set out in Annex D-01, shall nonetheless be considered to originate if the total weight of all such fibres or yarns in that component is not more than 9 per cent of the total weight of that component.⁵

Article D-06:

Fungible Goods and Materials

For purposes of determining whether a good is an originating good:

- (a) where originating and non-originating fungible materials are used in the production of a good, the determination of whether the materials are originating need not be made through the identification of any specific fungible material, but may be determined on the basis of any of the inventory management methods set out in the Uniform Regulations; and
- (b) where originating and non-originating fungible goods are commingled and exported in the same form, the determination may be made on the basis of any of the inventory management methods set out in the Uniform Regulations.

Article D-07:

Accessories, Spare Parts and Tools

Accessories, spare parts or tools delivered with the good that form part of the good's standard accessories, spare parts, or tools, shall be considered as originating if the good originates and shall be disregarded in determining whether all the non-originating materials used in the production of the good undergo the applicable change in tariff classification set out in Annex D-01, provided that:

- (a) the accessories, spare parts or tools are not invoiced separately from the good;
- (b) the quantities and value of the accessories, spare parts or tools are customary for the good; and
- (c) if the good is subject to a regional value-content requirement, the value of the accessories, spare parts or tools shall be taken into account as originating or non-originating materials, as the case may be, in calculating the regional value content of the good.

Article D-08:

Indirect Materials

An indirect material shall be considered to be an originating material without regard to where it is produced.

Article D-09:

Packaging Materials and Containers for Retail Sale

Packaging materials and containers in which a good is packaged for retail sale shall, if classified with the good, be disregarded in determining whether all the non-originating materials used in the production of the good undergo the applicable change in tariff classification set out in Annex D-01, and, if the good is subject to a regional value-content requirement, the value of such packaging materials and containers shall be taken into account as originating or nonoriginating materials, as the case may be, in calculating the regional value content of the good.

Article D-10:

Packing Materials and Containers for Shipment

Packing materials and containers in which a good is packed for shipment shall be disregarded in determining whether:

- (a) the non-originating materials used in the production of the good undergo an applicable change in tariff classification set out in Annex D-01; and
- (b) the good satisfies a regional value-content requirement.

Article D-11:

Transshipment

A good shall not be considered to be an originating good by reason of having undergone production that satisfies the requirements of Article D-01 if, subsequent to that production, the good undergoes further production or any other operation outside the territories of the Parties, other than unloading, reloading or any other operation necessary to preserve it in good condition or to transport the good to the territory of a Party.

Article D-12:

Non-Qualifying Operations

A good shall not be considered to be an originating good merely by reason of:

- (a) mere dilution with water or another substance that does not materially alter the characteristics of the good; or
- (b) any production or pricing practice in respect of which it may be demonstrated, on the basis of a preponderance of evidence, that the object was to circumvent this Chapter.

Article D-13:

Interpretation and Application

For purposes of this Chapter:

- (a) the basis for tariff classification in this Chapter is the Harmonized System⁶;
- (b) where a good referred to by a tariff item number is described in parentheses following the tariff item number, the description is provided for purposes of reference only;
- (c) where applying Article D-01(d), the determination of whether a heading or subheading under the Harmonized System provides for and specifically describes both a good and its parts shall be made on the basis of the nomenclature of the heading or subheading and the relevant Section or Chapter Notes, in accordance with the General Rules for the Interpretation of the Harmonized System;
- (d) in applying the Customs Valuation Code under this Chapter
 - (i) the principles of the Customs Valuation Code shall apply to domestic transactions, with such modifications as may be required by the circumstances, as would apply to international transactions,
 - (ii) the provisions of this Chapter shall take precedence over the Customs Valuation Code to the extent of any difference, and
 - (iii) the definitions in Article D-16 shall take precedence over the definitions in the Customs Valuation Code to the extent of any difference; and
- (e) all costs referred to in this Chapter shall be recorded and maintained in accordance with the Generally Accepted Accounting Principles applicable in the territory of the Party in which the good is produced.

Article D-14:

Consultation and Modifications

1. The Parties shall consult regularly to ensure that this Chapter is administered effectively, uniformly and consistently with the spirit and objectives of this Agreement, and shall cooperate in the administration of this Chapter in accordance with Chapter E.
2. A Party that considers that this Chapter requires modification to take into account developments in production processes or other matters may submit a proposed modification along with supporting rationale and any studies to the other Party for consideration and any appropriate action under Chapter E.

Article D-15:

NAFTA Accession

Upon the accession of Chile to the NAFTA, the rules of origin in this Chapter shall be replaced by the rules of origin to be negotiated as part of the terms of the accession of Chile to the NAFTA.

Article D-16:

Definitions

For purposes of this Chapter:

class of motor vehicles means any one of the following categories of motor vehicles:

- (a) motor vehicles provided for in subheading 8701.20, tariff item 8702.10.aa or 8702.90.aa (vehicles for the transport of 16 or more persons), subheading 8704.10, 8704.22, 8704.23, 8704.32 or 8704.90 or heading 87.05;
- (b) motor vehicles provided for in subheading 8701.10 or 8701.30 through 8701.90;
- (c) motor vehicles provided for in tariff item 8702.10.bb or 8702.90.bb (vehicles for the transport of 15 or fewer persons) or subheading 8704.21 or 8704.31; or
- (d) motor vehicles provided for in subheading 8703.21 through 8703.90;

F.O.B. means free on board, regardless of the mode of transportation, at the point of direct shipment by the seller to the buyer;

fungible goods or fungible materials means goods or materials that are interchangeable for commercial purposes and whose properties are essentially identical;

goods wholly obtained or produced entirely in the territory of one or both of the Parties means:

- (a) mineral goods extracted in the territory of one or both of the Parties;
- (b) vegetable goods, as such goods are defined in the Harmonized System, harvested in the territory of one or both of the Parties;
- (c) live animals born and raised in the territory of one or both of the Parties;
- (d) goods obtained from hunting, trapping or fishing in the territory of one or both of the Parties;
- (e) goods (fish, shellfish and other marine life) taken from the sea by vessels registered or recorded with a Party and flying its flag;
- (f) goods produced on board factory ships from the goods referred to in subparagraph (e) provided such factory ships are registered or recorded with that Party and fly its flag;
- (g) goods taken by a Party or a person of a Party from the seabed or beneath the seabed outside territorial waters, provided that a Party has rights to exploit such seabed;

- (h) goods taken from outer space, provided they are obtained by a Party or a person of a Party and not processed in a non-Party;
 - (i) waste and scrap derived from
 - (i) production in the territory of one or both of the Parties, or
 - (ii) used goods collected in the territory of one or both of the Parties, provided such goods are fit only for the recovery of raw materials; and
- (j) goods produced in the territory of one or both of the Parties exclusively from goods referred to in subparagraphs (a) through (i), or from their derivatives, at any stage of production;

identical or similar goods means "identical goods" and "similar goods", respectively, as defined in the Customs Valuation Code;

indirect material means a good used in the production, testing or inspection of a good but not physically incorporated into the good, or a good used in the maintenance of buildings or the operation of equipment associated with the production of a good, including:

- (a) fuel and energy;
- (b) tools, dies and moulds;
- (c) spare parts and materials used in the maintenance of equipment and buildings;
- (d) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;
- (e) gloves, glasses, footwear, clothing, safety equipment and supplies;
- (f) equipment, devices, and supplies used for testing or inspecting the goods;
- (g) catalysts and solvents; and
- (h) any other goods that are not incorporated into the good but whose use in the production of the good can reasonably be demonstrated to be a part of that production;

intermediate material means a material that is self-produced and used in the production of a good, and designated pursuant to Article D-02(10);

material means a good that is used in the production of another good, and includes a part or an ingredient;

model line means a group of motor vehicles having the same platform or model name;

motor vehicle means a motor vehicle provided for in heading 87.01 or 87.02, subheading 8703.21 through 8703.90 or heading 87.04 and 87.05;

net cost means total cost minus sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs, and non-allowable interest costs that are included in the total cost;

net cost of a good means the net cost that can be reasonably allocated to a good using one of the methods set out in Article D-02(8);

non-allowable interest costs means interest costs incurred by a producer that exceed 700 basis points above the applicable national government interest rate identified in the Uniform Regulations for comparable maturities;

non-originating good or non-originating material means a good or material that does not qualify as originating under this Chapter;

producer means a person who grows, mines, harvests, fishes, traps, hunts, manufactures, processes or assembles a good;

production means growing, mining, harvesting, fishing, trapping, hunting, manufacturing, processing or assembling a good;

reasonably allocate means to apportion in a manner appropriate to the circumstances;

related person means a person related to another person on the basis that:

- (a) they are officers or directors of one another's businesses;
- (b) they are legally recognized partners in business;
- (c) they are employer and employee;
- (d) any person directly or indirectly owns, controls or holds 25 per cent or more of the outstanding voting stock or shares of each of them;
- (e) one of them directly or indirectly controls the other;
- (f) both of them are directly or indirectly controlled by a third person; or
- (g) they are members of the same family (members of the same family are natural or adoptive children, brothers, sisters, parents, grandparents, or spouses);

royalties means payments of any kind, including payments under technical assistance or similar agreements, made as consideration for the use or right to use any copyright, literary, artistic, or scientific work, patent, trademark, design, model, plan, secret formula

or process, excluding those payments under technical assistance or similar agreements that can be related to specific services such as:

- (a) personnel training, without regard to where performed; and
- (b) if performed in the territory of one or both of the Parties, engineering, tooling, die-setting, software design and similar computer services, or other services;

sales promotion, marketing and after-sales service costs means the following costs related to sales promotion, marketing and after-sales service:

- (a) sales and marketing promotion; media advertising; advertising and market research; promotional and demonstration materials; exhibits; sales conferences, trade shows and conventions; banners; marketing displays; free samples; sales, marketing and after-sales service literature (product brochures, catalogues, technical literature, price lists, service manuals, sales aid information); establishment and protection of logos and trademarks; sponsorships; wholesale and retail restocking charges; entertainment;
- (b) sales and marketing incentives; consumer, retailer or wholesaler rebates; merchandise incentives;
- (c) salaries and wages, sales commissions, bonuses, benefits (for example, medical, insurance, pension), travelling and living expenses, membership and professional fees, for sales promotion, marketing and after-sales service personnel;
- (d) recruiting and training of sales promotion, marketing and after-sales service personnel, and after-sales training of customers' employees, where such costs are identified separately for sales promotion, marketing and after-sales service of goods on the financial statements or cost accounts of the producer;
- (e) product liability insurance;
- (f) office supplies for sales promotion, marketing and after-sales service of goods, where such costs are identified separately for sales promotion, marketing and after-sales service of goods on the financial statements or cost accounts of the producer;
- (g) telephone, mail and other communications, where such costs are identified separately for sales promotion, marketing and after-sales service of goods on the financial statements or cost accounts of the producer;
- (h) rent and depreciation of sales promotion, marketing and after-sales service offices and distribution centres;

- (i) property insurance premiums, taxes, cost of utilities, and repair and maintenance of sales promotion, marketing and after-sales service offices and distribution centres, where such costs are identified separately for sales promotion, marketing and after-sales service of goods on the financial statements or cost accounts of the producer; and
- (j) payments by the producer to other persons for warranty repairs;

self-produced material means a material that is produced by the producer of a good and used in the production of that good;

shipping and packing costs means the costs incurred in packing a good for shipment and shipping the good from the point of direct shipment to the buyer, excluding costs of preparing and packaging the good for retail sale;

total cost means all product costs, period costs and other costs incurred in the territory of one or both of the Parties;

transaction value means the price actually paid or payable for a good or material with respect to a transaction of the producer of the good, adjusted in accordance with the principles of paragraphs 1, 3 and 4 of Article 8 of the Customs Valuation Code, regardless of whether the good or material is sold for export; and

used means used or consumed in the production of goods.

Annex D-03.1

List of Tariff Provisions for Article D-03(1)

Note: For purposes of reference only, descriptions are provided next to the corresponding tariff provision.

TARIFF PROVISION	DESCRIPTION
4009.50	Tubes, pipes and hoses, of vulcanized rubber
4016.99.aa	Vibration control goods, of a kind used in the vehicles of heading 87.01 through 87.05
8301.20.00	Locks of a kind used for motor vehicles
8407.33.00	Engines of a cylinder capacity exceeding 250cc but not exceeding 1000cc, for vehicles of Chapter 87
8407.34	Engines of a cylinder capacity exceeding 1000cc, for vehicles of Chapter 87 Diesel engines, for vehicles of Chapter 87
8408.20	Parts of engines
8409.91	Parts of engines
8413.30.aa	Fuel pumps for internal combustion piston engines

8413.60.00	Rotary positive displacement pumps
8414.59.00	Fans
8414.80.aa	Turbo-chargers and superchargers, for motor vehicles
8415.20	Air conditioning machines, for motor vehicles
8421.23.00	Oil or petrol-filters for internal combustion engines
8421.31.aa	Air filters for motor vehicles
8421.39.aa	Catalytic converters
8425.39.aa	Automotive winches
8425.42.00	Jacks and hoists, hydraulic, for raising vehicles
8425.49.00	Jacks and hoists, for raising vehicles
8431.10.aa	Parts used with certain machinery of heading 84.25
8481.20.00	Valves for oleohydraulic or pneumatic transmissions
8481.30.aa	Check valves, for automotive use
8481.80.aa	Valves, for automotive use
8482.10	Ball bearings
8482.20	Tapered roller bearings
8482.30.00	Spherical roller bearings
8482.40.00	Needle roller bearings
8482.50.00	Cylindrical roller bearings
8482.80.aa	Other ball/roller bearings, for use in motor vehicles of Chapter 87
8483.10.aa	Transmission shafts and cranks, for automotive use
8483.20.00	Bearing housings
8483.30.00	Bearing housings and plain shaft bearings
8483.40	Gears and gearing
8483.50.aa	Flywheels and pulleys, for automotive use
8483.60.aa	Clutches and shaft couplings, for automotive use
8501.10	Electric motors of an input not exceeding 37.5 W
8501.20	Universal AC/DC motors of an output exceeding 37.5 W
8501.31	DC motors and generators of an output not exceeding 750 W
8501.32	DC motors and generators of an output exceeding 750 W but not exceeding 75 KW
8507.10.00	Batteries (lead-acid)
8507.20	Batteries (lead-acid)
8507.30	Batteries (nickel-cadmium)
8507.40	Batteries (nickel-iron)
8507.80	Other batteries
8511.10.00	Spark plugs
8511.20.aa	Ignition magnetos, magneto-dynamos and magnetic flywheels for internal combustion

	engines
8511.30.00	Distributors and ignition coils
8511.40.00	Starter motors and dual purpose starter-generators
8511.50.00	Other generators
8511.80.00	Other electrical ignition or starting equipment
8512.20.00	Lighting or visual signalling equipment
8512.30.00	Sound signalling equipment
8512.40.00	Windscreen wipers, defrosters and demisters
8516.10.aa	Immersion heaters designed for automotive installation
8536.41.aa	Relays (automotive signalling flashers)
8536.50.aa	Motor starters, for automotive use
8536.50.bb	Other switches, for automotive use
8536.90.aa	Other apparatus, for automotive use
8537.10.bb	Motor control centres, for automotive use
8539.10.aa	Sealed beam lamp units for use in motor vehicles of Chapter 87
8539.21.aa	Tungsten halogen, for automotive use
8539.29.aa	Other filament lamps for voltage not exceeding 31 V
8544.30	Wiring sets
8544.41.aa	Electric conductors fitted with connectors for a voltage not exceeding 80 V, for automotive use
87.06	Chassis fitted with engines, for motor vehicles of 87.01 to 87.05
87.07	Bodies (including cabs), for motor vehicles of 87.01 to 87.05
8708.10.aa	Bumpers, but not parts thereof
8708.29.aa	Body stampings
8708.29.bb	Inflators and modules for airbags
8708.29.cc	Door assemblies
8708.29.dd	Airbags for use in motor vehicles
8708.29.ee	Other parts and accessories not elsewhere classified under subheading 8708.29
8708.50.aa	For vehicles of heading 87.03
8708.60.aa	For vehicles of heading 87.03
8708.70.aa	Road wheels, but not parts or accessories thereof
8708.80.aa	McPherson Struts
8708.93.aa	Clutches, but not parts thereof
8708.99.aa	Vibration control goods containing rubber
8708.99.bb	Doubled flanged wheel hub units incorporating ball bearings
8708.99.cc	Airbags for use in motor vehicles, where not provided for under subheading 8708.29
8708.99.dd	Half-shafts and drive shafts
8708.99.ee	Other parts for powertrains
8708.99.ff	Parts for suspension systems

8708.99.gg	Parts for steering systems
8708.99.hh	Other parts and accessories not elsewhere classified under subheading 8708.99
9017.80	Other instruments, for measuring
9026.10	Instruments for measuring or checking the flow or level of liquids
9031.80	Other instruments, appliances and machines
9032.10	Thermostats
9032.20.00	Manostats
9032.89	Other instruments and apparatus
9104.00.00	Instrument panel clocks
9401.20.00	Seats for motor vehicles

Annex D-03.2

Regional Value-Content Calculation for Related Motor Vehicle Producer

1. For the purpose of Article D-03, in determining whether motor vehicles produced by a motor vehicle producer in the territory of a Party and imported into the territory of the other Party qualify as originating goods, the producer may average its calculation of the regional value content of a class of motor vehicles or a model line of motor vehicles produced in a fiscal year in the territory of a Party ("the territory of production") by that producer for sale in the territory of the other Party with the calculation of the regional value content of the corresponding class of motor vehicles or model line of motor vehicles produced in the territory of production by a related producer in the fiscal year that corresponds most closely to the producer's fiscal year, provided that:

- (a) the related group acquires 75 per cent or more by unit of quantity of the class of motor vehicles or model line of motor vehicles, as the case may be, that the producer has produced in the territory of a Party in that fiscal year for sale in the territory of the other Party;
- (b) the producer and the related producer each produced motor vehicles in the territory of the same Party at any time up to two years from the date of coming into force of this Agreement; and
- (c) where a producer otherwise qualifies under this Annex, notice of such qualification has been provided by the Party referred to in paragraph (b) to the other Party no later than two years from the date of coming into force of this Agreement.

2. If the related group acquires less than 75 per cent by unit by quantity of the class of motor vehicles or model line of motor vehicles, as the case may be, that the producer has produced in the territory of a Party in that fiscal year for sale in the territory of the other Party, the producer may average in the manner set out in paragraph 1 only those motor vehicles that are acquired by the related producer for distribution under the marque of either the producer or the related group.

3. In calculating the regional value content of motor vehicles produced by the producer in the territory of a Party, the producer may choose to average the calculation in paragraph 1 or 2

over a period of two fiscal years in the event that any motor vehicle assembly plant operated by the producer or any motor vehicle assembly plant operated by the related producer with which the producer is averaging its regional value content is closed for more than two consecutive months:

- (a) for the purpose of re-tooling for a model change, or
- (b) as the result of any event or circumstance (other than the imposition of anti-dumping and countervailing duties, or an interruption of operations resulting from a labour strike, lock-out, labour dispute, picketing or boycott of or by employees), that the producer or the related producer could not reasonably have been expected to avert by corrective action or by exercise of due care and diligence, including a shortage of materials, failure of utilities, or inability to obtain or delay in obtaining raw materials, parts, fuel or utilities.

The averaging may be for the producer's fiscal year in which a motor vehicle producer's or a related producer's plant with which the producer is averaging is closed and either the previous or subsequent fiscal year. In the event that the period of closure spans two fiscal years, the averaging may be only for those two fiscal years.

4. For the purposes of this Annex, where as a result of an amalgamation, reorganization, division or similar transaction:

- (a) a motor vehicle producer (the "successor producer") acquires all or substantially all of the assets used by the related group; and
- (b) the successor producer, directly or indirectly controls, or is controlled by, the related group, or both the successor producer and the related group are controlled by the same person, the successor producer shall be deemed to be the related producer.

5. For the purposes of this Annex:

- (a) a motor vehicle producer is related to another motor vehicle producer when it owns 50 per cent or more of the common voting stock of the other motor vehicle producer at the beginning of the other motor vehicle producer's fiscal year;
- (b) marque means the trade name used by a separate marketing division of a producer of motor vehicles and any related persons or joint ventures in which the producer participates;
- (c) producer means a motor vehicle producer;
- (d) related group means a related producer and any subsidiary directly or indirectly owned by it or by any combination thereof; and
- (e) related producer means a motor vehicle producer that is related to another motor vehicle producer within the meaning of subparagraph (a).

CHAPTER E: CUSTOMS PROCEDURES

Section I - Certification of Origin

Article E-01:

Certificate of Origin

1. The Parties shall establish by the date of entry into force of this Agreement, a Certificate of Origin for the purpose of certifying that a good being exported from the territory of a Party into the territory of the other Party qualifies as an originating good, and may thereafter revise the Certificate by agreement.
2. Each Party may require that a Certificate of Origin for a good imported into its territory be completed in a language required under its law.
3. Each Party shall:
 - (a) require an exporter in its territory to complete and sign a Certificate of Origin for any exportation of a good for which an importer may claim preferential tariff treatment on importation of the good into the territory of the other Party; and
 - (b) provide that where an exporter in its territory is not the producer of the good, the exporter may complete and sign a Certificate on the basis of
 - (i) its knowledge of whether the good qualifies as an originating good,
 - (ii) its reasonable reliance on the producer's written representation that the good qualifies as an originating good, or
 - (iii) a completed and signed Certificate for the good voluntarily provided to the exporter by the producer.
4. Nothing in paragraph 3 shall be construed to require a producer to provide a Certificate of Origin to an exporter.
5. Each Party shall provide that a Certificate of Origin that has been completed and signed by an exporter or a producer in the territory of the other Party that is applicable to:
 - (a) a single importation of a good into the Party's territory; or
 - (b) multiple importations of identical goods into the Party's territory that occur within a specified period, not exceeding 12 months, set out therein by the exporter or producer, shall be accepted by its customs administration for four years after the date on which the Certificate was signed.
6. For any originating good that is imported into the territory of a Party on or after the date of entry into force of this Agreement, each Party shall accept a Certificate of Origin that has been completed and signed prior to that date by the exporter or producer of that good.

Article E-02:

Obligations Regarding Importations

1. Except as otherwise provided in this Chapter, each Party shall require an importer in its territory that claims preferential tariff treatment for a good imported into its territory from the territory of the other Party to:

- (a) make a written declaration, based on a valid Certificate of Origin, that the good qualifies as an originating good;
- (b) have the Certificate in its possession at the time the declaration is made;
- (c) provide, on the request of that Party's customs administration, a copy of the Certificate; and
- (d) promptly make a corrected declaration and pay any duties owing where the importer has reason to believe that a Certificate on which a declaration was based contains information that is not correct.

2. Each Party shall provide that, where an importer in its territory claims preferential tariff treatment for a good imported into its territory from the territory of the other Party:

- (a) the Party may deny preferential tariff treatment to the good if the importer fails to comply with any requirement under this Chapter; and
- (b) the importer shall not be subject to penalties for the making of an incorrect declaration, if it voluntarily makes a corrected declaration pursuant to paragraph 1(d).

3. Each Party shall provide that, where a good would have qualified as an originating good when it was imported into the territory of that Party but no claim for preferential tariff treatment was made at that time, the importer of the good may, no later than one year after the date on which the good was imported, apply for a refund of any excess duties paid as the result of the good not having been accorded preferential tariff treatment, on presentation of:

- (a) a written declaration that the good qualified as an originating good at the time of importation;
- (b) a copy of the Certificate of Origin; and
- (c) such other documentation relating to the importation of the good as that Party may require.

Article E-03:

Exceptions

Each Party shall provide that a Certificate of Origin shall not be required for:

- (a) a commercial importation of a good whose value does not exceed US\$1,000 or its equivalent amount in the Party's currency, or such higher amount as it may establish, except that it may require that the invoice accompanying the importation include a statement certifying that the good qualifies as an originating good;

- (b) a non-commercial importation of a good whose value does not exceed US\$1,000 or its equivalent amount in the Party's currency, or such higher amount as it may establish; or
- (c) an importation of a good for which the Party into whose territory the good is imported has waived the requirement for a Certificate of Origin,

provided that the importation does not form part of a series of importations that may reasonably be considered to have been undertaken or arranged for the purpose of avoiding the certification requirements of Articles E-01 and E-02.

Article E-04:

Obligations Regarding Exportations

1. Each Party shall provide that:
 - (a) an exporter in its territory, or a producer in its territory that has provided a copy of a Certificate of Origin to that exporter pursuant to Article E-01(3)(b)(iii), shall provide a copy of the Certificate to its customs administration on request; and
 - (b) an exporter or a producer in its territory that has completed and signed a Certificate of Origin, and that has reason to believe that the Certificate contains information that is not correct, shall promptly notify in writing all persons to whom the Certificate was given by the exporter or producer of any change that could affect the accuracy or validity of the Certificate.
2. Each Party:
 - (a) shall provide that a false certification by an exporter or a producer in its territory that a good to be exported to the territory of the other Party qualifies as an originating good shall have the same legal consequences, with appropriate modifications, as would apply to an importer in its territory for a contravention of its customs laws and regulations regarding the making of a false statement or representation; and
 - (b) may apply such measures as the circumstances may warrant where an exporter or a producer in its territory fails to comply with any requirement of this Chapter.
3. Neither Party may impose penalties on an exporter or a producer in its territory that voluntarily provides written notification pursuant to paragraph (1)(b) with respect to the making of an incorrect certification.

Section II - Administration and Enforcement

Article E-05:

Records

Each Party shall provide that:

- (a) an exporter or a producer in its territory that completes and signs a Certificate of Origin shall maintain in its territory, for five years after the date on which the Certificate was signed or for such longer period as the Party may specify, all records relating to the origin of a good for which preferential tariff treatment was claimed in the territory of the other Party, including records associated with
 - (i) the purchase of, cost of, value of, and payment for, the good that is exported from its territory,
 - (ii) the purchase of, cost of, value of, and payment for, all materials, including indirect materials, used in the production of the good that is exported from its territory, and
 - (iii) the production of the good in the form in which the good is exported from its territory; and
- (b) an importer claiming preferential tariff treatment for a good imported into the Party's territory shall maintain in that territory, for five years after the date of importation of the good or for such longer period as the Party may specify, such documentation, including a copy of the Certificate, as the Party may require relating to the importation of the good.

Article E-06:

Origin Verifications

1. For purposes of determining whether a good imported into its territory from the territory of the other Party qualifies as an originating good, a Party may, through its customs administration, conduct a verification solely by means of:

- (a) written questionnaires to an exporter or a producer in the territory of the other Party;
- (b) visits to the premises of an exporter or a producer in the territory of the other Party to review the records referred to in Article E-05(a) and observe the facilities used in the production of the good; or
- (c) such other procedure as the Parties may agree.

2. Prior to conducting a verification visit pursuant to paragraph (1)(b), a Party shall, through its customs administration:

- (a) deliver a written notification of its intention to conduct the visit to
 - (i) the exporter or producer whose premises are to be visited,
 - (ii) the customs administration of the other Party, and
 - (iii) if requested by the other Party, the embassy of the other Party in the territory of the Party proposing to conduct the visit; and

- (b) obtain the written consent of the exporter or producer whose premises are to be visited.
- 3. The notification referred to in paragraph 2 shall include:
 - (a) the identity of the customs administration issuing the notification;
 - (b) the name of the exporter or producer whose premises are to be visited;
 - (c) the date and place of the proposed verification visit;
 - (d) the object and scope of the proposed verification visit, including specific reference to the good that is the subject of the verification;
 - (e) the names and titles of the officials performing the verification visit; and
 - (f) the legal authority for the verification visit.
- 4. Where an exporter or a producer has not given its written consent to a proposed verification visit within 30 days of receipt of notification pursuant to paragraph 2, the notifying Party may deny preferential tariff treatment to the good that would have been the subject of the visit.
- 5. Each Party shall provide that, where its customs administration receives notification pursuant to paragraph 2, the customs administration may, within 15 days of receipt of the notification, postpone the proposed verification visit for a period not exceeding 60 days from the date of such receipt, or for such longer period as the Parties may agree.
- 6. A Party shall not deny preferential tariff treatment to a good based solely on the postponement of a verification visit pursuant to paragraph 5.
- 7. Each Party shall permit an exporter or a producer whose good is the subject of a verification visit by the other Party to designate two observers to be present during the visit, provided that:
 - (a) the observers do not participate in a manner other than as observers; and
 - (b) the failure of the exporter or producer to designate observers shall not result in the postponement of the visit.
- 8. Each Party shall, through its customs administration, where conducting a verification of origin involving a regional value content, de minimis calculation or any other provision in Chapter D (Rules of Origin) to which Generally Accepted Accounting Principles may be relevant, apply such principles as are applicable in the territory of the Party from which the good was exported.
- 9. The Party conducting a verification shall provide the exporter or producer whose good is the subject of the verification with a written determination of whether the good qualifies as an originating good, including findings of fact and the legal basis for the determination.

10. Where verifications by a Party indicate a pattern of conduct by an exporter or a producer of false or unsupported representations that a good imported into its territory qualifies as an originating good, the Party may withhold preferential tariff treatment to identical goods exported or produced by such person until that person establishes compliance with Chapter D (Rules of Origin).

11. Each Party shall provide that where it determines that a certain good imported into its territory does not qualify as an originating good based on a tariff classification or a value applied by the Party to one or more materials used in the production of the good, which differs from the tariff classification or value applied to the materials by the other Party, the Party's determination shall not become effective until it notifies in writing both the importer of the good and the person that completed and signed the Certificate of Origin for the good of its determination.

12. A Party shall not apply a determination made under paragraph 11 to an importation made before the effective date of the determination where:

- (a) the customs administration of the other Party has issued an advance ruling under Article E-09 or any other ruling on the tariff classification or on the value of such materials, or has given consistent treatment to the entry of the materials under the tariff classification or value at issue, on which a person is entitled to rely; and
- (b) the advance ruling, other ruling or consistent treatment was given prior to notification of the determination.

13. If a Party denies preferential tariff treatment to a good pursuant to a determination made under paragraph 11, it shall postpone the effective date of the denial for a period not exceeding 90 days where the importer of the good, or the person who completed and signed the Certificate of Origin for the good, demonstrates that it has relied in good faith to its detriment on the tariff classification or value applied to such materials by the customs administration of the other Party.

Article E-07: Confidentiality

1. Each Party shall maintain, in accordance with its law, the confidentiality of confidential business information collected pursuant to this Chapter and shall protect that information from disclosure that could prejudice the competitive position of the persons providing the information.

2. The confidential business information collected pursuant to this Chapter may only be disclosed to those authorities responsible for the administration and enforcement of determinations of origin, and of customs and revenue matters.

Article E-08:

Penalties

1. Each Party shall maintain measures imposing criminal, civil or administrative penalties for violations of its laws and regulations relating to this Chapter.

2. Nothing in Article E-02(2), E-04(3) or E-06(6) shall be construed to prevent a Party from applying such measures as the circumstances may warrant.

Section III - Advance Rulings

Article E-09:

Advance Rulings

1. Each Party shall, through its customs administration, provide for the expeditious issuance of written advance rulings, prior to the importation of a good into its territory, to an importer in its territory or an exporter or a producer in the territory of the other Party, on the basis of the facts and circumstances presented by such importer, exporter or producer of the good, concerning:

- (a) whether materials imported from a non-Party used in the production of a good undergo an applicable change in tariff classification set out in Annex D-01 as a result of production occurring entirely in the territory of one or both of the Parties;
- (b) whether a good satisfies a regional value-content requirement under either the transaction value method or the net cost method set out in Chapter D (Rules of Origin);
- (c) for the purpose of determining whether a good satisfies a regional value-content requirement under Chapter D, the appropriate basis or method for value to be applied by an exporter or a producer in the territory of the other Party, in accordance with the principles of the Customs Valuation Code, for calculating the transaction value of the good or of the materials used in the production of the good;
- (d) for the purpose of determining whether a good satisfies a regional value-content requirement under Chapter D, the appropriate basis or method for reasonably allocating costs, in accordance with the allocation methods set out in the Uniform Regulations, for calculating the net cost of the good or the value of an intermediate material;
- (e) whether a good qualifies as an originating good under Chapter D;
- (f) whether a good that re-enters its territory after the good has been exported from its territory to the territory of the other Party for repair or alteration qualifies for duty-free treatment in accordance with Article C-06 (Goods Re-Entered after Repair or Alteration);
- (g) whether a good referred to in Annex C-00-B (Textiles and Apparel Goods) satisfies the conditions set out in Appendix 5.1 of that Annex regarding eligibility for a tariff preference level (TPL) referred to therein; or
- (h) such other matters as the Parties may agree.

2. Each Party shall adopt or maintain procedures for the issuance of advance rulings, including a detailed description of the information reasonably required to process an application for a ruling.

3. Each Party shall provide that its customs administration:
 - (a) may, at any time during the course of an evaluation of an application for an advance ruling, request supplemental information from the person requesting the ruling;
 - (b) shall, after it has obtained all necessary information from the person requesting an advance ruling, issue the ruling within the periods specified in the Uniform Regulations; and
 - (c) shall, where the advance ruling is unfavourable to the person requesting it, provide to that person a full explanation of the reasons for the ruling.
4. Subject to paragraph 6, each Party shall apply an advance ruling to importations into its territory of the good for which the ruling was requested, beginning on the date of its issuance or such later date as may be specified in the ruling.
5. Each Party shall provide to any person requesting an advance ruling the same treatment, including the same interpretation and application of provisions of Chapter D regarding a determination of origin, as it provided to any other person to whom it issued an advance ruling, provided that the facts and circumstances are identical in all material respects.
6. The issuing Party may modify or revoke an advance ruling:
 - (a) if the ruling is based on an error
 - (i) of fact,
 - (ii) in the tariff classification of a good or a material that is the subject of the ruling,
 - (iii) in the application of a regional value-content requirement under Chapter D, or
 - (iv) in the application of the rules for determining whether a good that re-enters its territory after the good has been exported from its territory to the territory of the other Party for repair or alteration qualifies for duty-free treatment under Article C-06;
 - (b) if the ruling is not in accordance with an interpretation agreed by the Parties regarding Chapter C (National Treatment and Market Access for Goods) or Chapter D;
 - (c) if there is a change in the material facts or circumstances on which the ruling is based;
 - (d) to conform with a modification of Chapter C, Chapter D, this Chapter or the Uniform Regulations; or
 - (e) to conform with a judicial decision or a change in its domestic law.

7. Each Party shall provide that any modification or revocation of an advance ruling shall be effective on the date on which the modification or revocation is issued, or on such later date as may be specified therein, and shall not be applied to importations of a good that have occurred prior to that date, unless the person to whom the advance ruling was issued has not acted in accordance with its terms and conditions.

8. Notwithstanding paragraph 7, the issuing Party shall postpone the effective date of such modification or revocation for a period not exceeding 90 days where the person to whom the advance ruling was issued demonstrates that it has relied in good faith to its detriment on that ruling.

9. Each Party shall provide that where its customs administration examines the regional value content of a good for which it has issued an advance ruling pursuant to subparagraph 1(c), (d) or (f), it shall evaluate whether:

- (a) the exporter or producer has complied with the terms and conditions of the advance ruling;
- (b) the exporter's or producer's operations are consistent with the material facts and circumstances on which the advance ruling is based; and
- (c) the supporting data and computations used in applying the basis or method for calculating value or allocating cost were correct in all material respects.

10. Each Party shall provide that where its customs administration determines that any requirement in paragraph 9 has not been satisfied, it may modify or revoke the advance ruling as the circumstances may warrant.

11. Each Party shall provide that, where the person to whom an advance ruling was issued demonstrates that it used reasonable care and acted in good faith in presenting the facts and circumstances on which the ruling was based, and where the customs administration of a Party determines that the ruling was based on incorrect information, the person to whom the ruling was issued shall not be subject to penalties.

12. Each Party shall provide that where it issues an advance ruling to a person that has misrepresented or omitted material facts or circumstances on which the ruling is based or has failed to act in accordance with the terms and conditions of the ruling, the Party may apply such measures as the circumstances may warrant.

Section IV - Review and Appeal of Origin Determinations and Advance Rulings

Article E-10:

Review and Appeal

1. Each Party shall grant substantially the same rights of review and appeal of determinations of origin and advance rulings by its customs administration as it provides to importers in its territory to any person:

- (a) who completes and signs a Certificate of Origin for a good that has been the subject of a determination of origin; or

- (b) who has received an advance ruling pursuant to Article E-09(1).
2. Further to Articles L-04 (Administrative Proceedings) and L-05 (Review and Appeal), each Party shall provide that the rights of review and appeal referred to in paragraph 1 shall include access to:
- (a) at least one level of administrative review independent of the official or office responsible for the determination under review; and
 - (b) in accordance with its domestic law, judicial or quasi-judicial review of the determination or decision taken at the final level of administrative review.

Section V - Uniform Regulations

Article E-11:

Uniform Regulations

1. The Parties shall establish, and implement through their respective laws or regulations by the date of entry into force of this Agreement, and at any time thereafter, upon agreement of the Parties, Uniform Regulations regarding the interpretation, application and administration of Chapter D, this Chapter and other matters as may be agreed by the Parties.
2. Each Party shall implement any modification of or addition to the Uniform Regulations no later than 180 days after the Parties agree on such modification or addition, or such other period as the Parties may agree.

Section VI - Cooperation

Article E-12:

Cooperation

1. Each Party shall notify the other Party of the following determinations, measures and rulings, including to the greatest extent practicable those that are prospective in application:
 - (a) a determination of origin issued as the result of a verification conducted pursuant to Article E-06(1);
 - (b) a determination of origin that the Party is aware is contrary to
 - (i) a ruling issued by the customs administration of the other Party with respect to the tariff classification or value of a good, or of materials used in the production of a good, or the reasonable allocation of costs where calculating the net cost of a good, that is the subject of a determination of origin, or
 - (ii) consistent treatment given by the customs administration of the other Party with respect to the tariff classification or value of a good, or of materials used in the production of a good, or the reasonable allocation

of costs where calculating the net cost of a good, that is the subject of a determination of origin;

- (c) a measure establishing or significantly modifying an administrative policy that is likely to affect future determinations of origin; and
 - (d) an advance ruling, or a ruling modifying or revoking an advance ruling, pursuant to Article E-09.
2. The Parties shall cooperate:
- (a) in the enforcement of their respective customs-related laws or regulations implementing this Agreement, and under any customs mutual assistance agreement or other customs-related agreement to which they are party;
 - (b) for purposes of the detection and prevention of unlawful transshipments of textile and apparel goods of a non-Party, in the enforcement of prohibitions or quantitative restrictions, including the verification by a Party, in accordance with the procedures set out in this Chapter, of the capacity for production of goods by an exporter or a producer in the territory of the other Party, provided that the customs administration of the Party proposing to conduct the verification, prior to conducting the verification
 - (i) obtains the consent of the other Party, and
 - (ii) provides notification to the exporter or producer whose premises are to be visited, except that procedures for notifying the exporter or producer whose premises are to be visited shall be in accordance with such other procedures as the Parties may agree;
 - (c) to the extent practicable and for purposes of facilitating the flow of trade between them, in such customs-related matters as the collection and exchange of statistics regarding the importation and exportation of goods, the harmonization of documentation used in trade, the standardization of data elements, the acceptance of an international data syntax and the exchange of information; and
 - (d) to the extent practicable, in the storage and transmission of customs-related documentation.

Article E-13:

The Customs Sub-Committee

1. The Parties hereby establish a Customs Sub-Committee, comprising representatives of each Party's customs administration. The Sub-Committee shall meet at least once each year, and at any other time on the request of either Party and shall:
- (a) endeavour to agree on

- (i) the uniform interpretation, application and administration of Article C-04, C-05 and C-06, Chapter D, this Chapter, and the Uniform Regulations,
 - (ii) tariff classification and valuation matters relating to determinations of origin,
 - (iii) equivalent procedures and criteria for the request, approval, modification, revocation and implementation of advance rulings,
 - (iv) revisions to the Certificate of Origin,
 - (v) any other matter referred to it by a Party or the Committee on Trade in Goods and Rules of Origin established under Article C-15(1), and
 - (vi) any other customs-related matter arising under this Agreement;
- (b) consider
- (i) the harmonization of customs-related automation requirements and documentation, and
 - (ii) proposed customs-related administrative and operational changes that may affect the flow of trade between the Parties' territories;
- (c) report periodically to the Committee on Trade in Goods and Rules of Origin and notify it of any agreement reached under this paragraph; and
- (d) refer to the Committee on Trade in Goods and Rules of Origin any matter on which it has been unable to reach agreement within 60 days of referral of the matter to it pursuant to subparagraph (a)(v).
2. Nothing in this Chapter shall be construed to prevent a Party from issuing a determination of origin or an advance ruling relating to a matter under consideration by the Customs Sub-Committee or from taking such other action as it considers necessary, pending a resolution of the matter under this Agreement.

Article E-14:

Definitions

For purposes of this Chapter:

commercial importation means the importation of a good into the territory of a Party for the purpose of sale, or any commercial, industrial or other like use;

customs administration means the competent authority that is responsible under the law of a Party for the administration of customs laws and regulations;

determination of origin¹ means a determination as to whether a good qualifies as an originating good in accordance with Chapter D;

exporter in the territory of a Party means an exporter located in the territory of a Party and an exporter required under this Chapter to maintain records in the territory of that Party regarding exportations of a good;

identical goods means goods that are the same in all respects, including physical characteristics, quality and reputation, irrespective of minor differences in appearance that are not relevant to a determination of origin of those goods under Chapter D;

importer in the territory of a Party means an importer located in the territory of a Party and an importer required under this Chapter to maintain records in the territory of that Party regarding importations of a good;

intermediate material means "intermediate material" as defined in Article D-16;

material means "material" as defined in Article D-16;

net cost of a good means "net cost of a good" as defined in Article D-16;

preferential tariff treatment means the duty rate applicable to an originating good;

producer means "producer" as defined in Article D-16;

production means "production" as defined in Article D-16;

transaction value means "transaction value" as defined in Article D-16;

Uniform Regulations means "Uniform Regulations" established under Article E-11;

used means "used" as defined in Article D-16; and

value means value of a good or material for purposes of calculating customs duties or for purposes of applying Chapter D.

CHAPTER F: EMERGENCY ACTION

Article F-01:

Bilateral Actions

1. Subject to paragraphs 2 through 4, and during the transition period only, if a good originating in the territory of a Party, as a result of the reduction or elimination of a duty provided for in this Agreement, is being imported into the territory of the other Party in such increased quantities, in absolute terms, and under such conditions that the imports of the good from that Party alone constitute a substantial cause of serious injury, or threat thereof, to a domestic industry producing a like or directly competitive good, the Party into whose territory the good is being imported may, to the minimum extent necessary to remedy or prevent the injury:

- (a) suspend the further reduction of any rate of duty provided for under this Agreement on the good;

- (b) increase the rate of duty on the good to a level not to exceed the lesser of
 - (i) the mostfavourednation (MFN) applied rate of duty in effect at the time the action is taken, and
 - (ii) the MFN applied rate of duty in effect on the day immediately preceding the date of entry into force of this Agreement; or
- (c) in the case of a duty applied to a good on a seasonal basis, increase the rate of duty to a level not to exceed the MFN applied rate of duty that was in effect on the good for the corresponding season immediately preceding the date of entry into force of this Agreement.

2. The following conditions and limitations shall apply to a proceeding that may result in emergency action under paragraph 1:

- (a) a Party shall, without delay, deliver to the other Party written notice of, and a request for consultations regarding, the institution of a proceeding that could result in emergency action against a good originating in the territory of the other Party;
- (b) any such action shall be initiated no later than one year after the date of institution of the proceeding;
- (c) no action may be maintained
 - (i) for a period exceeding three years, or
 - (ii) beyond the expiration of the transition period, except with the consent of the Party against whose good the action is taken;
- (d) no action may be taken by a Party against any particular good originating in the territory of the other Party more than once during the transition period; and
- (e) on the termination of the action, the rate of duty shall be the rate that, according to the Party's Schedule to Annex C-02.2 for the staged elimination of the tariff, would have been in effect one year after the initiation of the action, and beginning January 1 of the year following the termination of the action, at the option of the Party that has taken the action
 - (i) the rate of duty shall conform to the applicable rate set out in its Schedule to Annex C-02.2, or
 - (ii) the tariff shall be eliminated in equal annual stages ending on the date set out in its Schedule to Annex C-02.2 for the elimination of the tariff.

3. A Party may take a bilateral emergency action after the expiration of the transition period to deal with cases of serious injury, or threat thereof, to a domestic industry arising from the operation of this Agreement only with the consent of the other Party.

4. The Party taking an action under this Article shall provide to the other Party mutually agreed trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the action. If the Parties are unable to agree on compensation, the Party against whose good the action is taken may take tariff action having trade effects substantially equivalent to the action taken under this Article. The Party taking the tariff action shall apply the action only for the minimum period necessary to achieve the substantially equivalent effects.

5. This Article does not apply to emergency actions respecting goods covered by Annex C-00-B (Textile and Apparel Goods).

Article F-02:

Global Actions

1. Each Party retains its rights and obligations under Article XIX of the GATT 1994 and the Agreement on Safeguards of the WTO Agreement except those regarding compensation or retaliation and exclusion from an action to the extent that such rights or obligations are inconsistent with this Article. Any Party taking an emergency action under Article XIX of the GATT 1994 and the Agreement on Safeguards of the WTO Agreement shall exclude imports of a good from the other Party from the action unless:

- (a) imports from the other Party account for a substantial share of total imports; and
- (b) imports from the other Party contribute importantly to the serious injury, or threat thereof, caused by imports.

2. In determining whether:

- (a) imports from the other Party account for a substantial share of total imports, those imports normally shall not be considered to account for a substantial share of total imports if that Party is not among the top five suppliers of the good subject to the proceeding, measured in terms of import share during the most recent three-year period; and
- (b) imports from the other Party contribute importantly to the serious injury, or threat thereof, the competent investigating authority shall consider such factors as the change in the import share of the other Party, and the level and change in the level of imports of the other Party. In this regard, imports from a Party normally shall not be deemed to contribute importantly to serious injury, or the threat thereof, if the growth rate of imports from a Party during the period in which the injurious surge in imports occurred is appreciably lower than the growth rate of total imports from all sources over the same period.

3. A Party taking such action, from which a good from the other Party is initially excluded pursuant to paragraph 1, shall have the right subsequently to include that good from the other Party in the action in the event that the competent investigating authority determines that a surge in imports of such good from the other Party undermines the effectiveness of the action.

4. A Party shall, without delay, deliver written notice to the other Party of the institution of a proceeding that may result in emergency action under paragraph 1 or 3.

5. Neither Party may impose restrictions on a good in an action under paragraph 1 or 3:
 - (a) without delivery of prior written notice to the Commission, and without adequate opportunity for consultation with the other Party, as far in advance of taking the action as practicable; and
 - (b) that would have the effect of reducing imports of such good from the other Party below the trend of imports of the good from that Party over a recent representative base period with allowance for reasonable growth.
6. The Party taking an action pursuant to this Article shall provide to the other Party mutually agreed trade liberalizing compensation in the form of concessions having substantially equivalent trade effects or equivalent to the value of the additional duties expected to result from the action. If the Parties are unable to agree on compensation, the Party against whose good the action is taken may take action having trade effects substantially equivalent to the action taken under paragraph 1 or 3.

Article F-03:

Administration of Emergency Action Proceedings

1. Each Party shall ensure the consistent, impartial and reasonable administration of its laws, regulations, decisions and rulings governing all emergency action proceedings.
2. Each Party shall entrust determinations of serious injury, or threat thereof, in emergency action proceedings to a competent investigating authority, subject to review by judicial or administrative tribunals, to the extent provided by domestic law. Negative injury determinations shall not be subject to modification, except by such review. The competent investigating authority empowered under domestic law to conduct such proceedings should be provided with the necessary resources to enable it to fulfill its duties.
3. Each Party shall adopt or maintain equitable, timely, transparent and effective procedures for emergency action proceedings, in accordance with the requirements set out in Annex F-03.3.
4. This Article does not apply to emergency actions taken under Annex C-00-B (Textile and Apparel Goods).

Article F-04:

Dispute Settlement in Emergency Action Matters

Neither Party may request the establishment of an arbitral panel under Article N-08 (Request for an Arbitral Panel) regarding any proposed emergency action.

Article F-05:

Definitions

For purposes of this Chapter:

competent investigating authority means the "competent investigating authority" of a Party as defined in Annex F-05;

contribute importantly means an important cause, but not necessarily the most important cause;

critical circumstances means circumstances where delay would cause damage that would be difficult to repair;

domestic industry means the producers as a whole of the like or directly competitive good operating in the territory of a Party;

emergency action does not include any emergency action pursuant to a proceeding instituted prior to the entry into force of this Agreement;

good originating in the territory of a Party means an originating good;

serious injury means a significant overall impairment of a domestic industry;

surge means a significant increase in imports over the trend for a recent representative base period;

threat of serious injury means serious injury that, on the basis of facts and not merely on allegation, conjecture or remote possibility, is clearly imminent; and

transition period means the 6-year period beginning on January 1, 1997, except where the tariff elimination for the good against which the action is taken occurs over a longer period of time, in which case the transition period shall be the period of the staged tariff elimination for that good.

Annex F-03.3

Administration of Emergency Action Proceedings

Institution of a Proceeding

1. An emergency action proceeding may be instituted by a petition or complaint by entities specified in domestic law. The entity filing the petition or complaint shall demonstrate that it is representative of the domestic industry producing a good like or directly competitive with the imported good.
2. A Party may institute a proceeding on its own motion or request the competent investigating authority to conduct a proceeding.

Contents of a Petition or Complaint

3. Where the basis for an investigation is a petition or complaint filed by an entity representative of a domestic industry, the petitioning entity shall, in its petition or complaint, provide the following information to the extent that such information is publicly available from governmental or other sources, or best estimates and the basis there for if such information is not available:

- (a) product description - the name and description of the imported good concerned, the tariff subheading under which that good is classified, its current tariff treatment and the name and description of the like or directly competitive domestic good concerned;
- (b) representativeness -
 - (i) the names and addresses of the entities filing the petition or complaint, and the locations of the establishments in which they produce the domestic good,
 - (ii) the percentage of domestic production of the like or directly competitive good that such entities account for and the basis for claiming that they are representative of an industry, and
 - (iii) the names and locations of all other domestic establishments in which the like or directly competitive good is produced;
- (c) import data - import data for each of the five most recent full years that form the basis of the claim that the good concerned is being imported in increased quantities, either in absolute terms or relative to domestic production as appropriate;
- (d) domestic production data - data on total domestic production of the like or directly competitive good for each of the five most recent full years;
- (e) data showing injury - quantitative and objective data indicating the nature and extent of injury to the concerned industry, such as data showing changes in the level of sales, prices, production, productivity, capacity utilization, market share, profits and losses, and employment;
- (f) cause of injury - an enumeration and description of the alleged causes of the injury, or threat thereof, and a summary of the basis for the assertion that increased imports, either actual or relative to domestic production, of the imported good are causing or threatening to cause serious injury, supported by pertinent data; and
- (g) criteria for inclusion - quantitative and objective data indicating the share of imports accounted for by imports from the territory of the other Party and the petitioner's views on the extent to which such imports are contributing importantly to the serious injury, or threat thereof, caused by imports of that good.

4. Petitions or complaints, except to the extent that they contain confidential business information, shall promptly be made available for public inspection on being filed.

Notice Requirement

5. On instituting an emergency action proceeding, the competent investigating authority shall publish notice of the institution of the proceeding in the official journal of the Party. The notice shall identify the petitioner or other requester, the imported good that is the subject of the proceeding and its tariff subheading, the nature and timing of the determination to be made, the time and place of the public hearing, dates of deadlines for filing briefs, statements and other documents, the place at which the petition and any other documents filed in the course of the proceeding may be inspected, and the name, address and telephone number of the office to be contacted for more information.

6. With respect to an emergency action proceeding instituted on the basis of a petition or complaint filed by an entity asserting that it is representative of the domestic industry, the competent investigating authority shall not publish the notice required by paragraph 5 without first assessing carefully that the petition or complaint meets the requirements of paragraph 3, including representativeness.

Public Hearing

7. In the course of each proceeding, the competent investigating authority shall:

- (a) hold a public hearing, after providing reasonable notice, to allow all interested parties, and any association whose purpose is to represent the interests of consumers in the territory of the Party instituting the proceeding, to appear in person or by counsel, to present evidence and to be heard on the questions of serious injury, or threat thereof, and the appropriate remedy; and
- (b) provide an opportunity to all interested parties and any such association appearing at the hearing to cross question interested parties making presentations at that hearing.

Confidential Information

8. The competent investigating authority shall adopt or maintain procedures for the treatment of confidential information, protected under domestic law, that is provided in the course of a proceeding, including a requirement that interested parties and consumer associations providing such information furnish non-confidential written summaries thereof, or where they indicate that the information cannot be summarized, the reasons why a summary cannot be provided.

Evidence of Injury and Causation

9. In conducting its proceeding the competent investigating authority shall gather, to the best of its ability, all relevant information appropriate to the determination it must make. It shall evaluate all relevant factors of an objective and quantifiable nature having a bearing on the situation of that industry, including the rate and amount of the increase in imports of the good concerned, in absolute and relative terms as appropriate, the share of the domestic market taken by increased imports, and changes in the level of sales, production, productivity, capacity

utilization, profits and losses, and employment. Inmaking its determination, the competent investigating authority may also consider other economic factors, such as changes in prices and inventories, and the ability of firms in the industry to generate capital.

10. The competent investigating authority shall not make an affirmative injury determination unless its investigation demonstrates, on the basis of objective evidence, the existence of a clear causal link between increased imports of the good concerned and serious injury, or threat thereof. Where factors other than increased imports are causing injury to the domestic industry at the same time, such injury shall not be attributed to increased imports.

Deliberation and Report

11. Except in critical circumstances and in global actions involving perishable agricultural goods, the competent investigating authority, before making an affirmative determination in an emergency action proceeding, shall allow sufficient time to gather and consider the relevant information, hold a public hearing and provide an opportunity for all interested parties and consumer associations to prepare and submit their views.

12. The competent investigating authority shall publish promptly a report, including a summary thereof in the official journal of the Party, setting out its findings and reasoned conclusions on all pertinent issues of law and fact. The report shall describe the imported good and its tariff item number, the standard applied and the finding made. The statement of reasons shall set out the basis for the determination, including a description of:

- (a) the domestic industry seriously injured or threatened with serious injury;
- (b) information supporting a finding that imports are increasing, the domestic industry is seriously injured or threatened with serious injury, and increasing imports are causing or threatening serious injury; and
- (c) if provided for by domestic law, any finding or recommendation regarding the appropriate remedy and the basis therefore.

13. In its report, the competent investigating authority shall not disclose any confidential information provided pursuant to any undertaking concerning confidential information that may have been made in the course of the proceedings.

Annex F-05

Country-Specific Definitions

For purposes of this Chapter:

competent investigating authority means:

- (a) in the case of Canada, the Canadian International Trade Tribunal, or its successor; and
- (b) in the case of Chile, the National Commission in Charge of the Investigation of the Existence of Price Distortions in Imported Goods ("Comisión Nacional

Encargada de Investigar la Existencia de Distorsiones en el Precio de las Mercaderías Importadas"), or its successor.

PART THREE:

INVESTMENT, SERVICES AND RELATED MATTERS

CHAPTER G: INVESTMENT

Section I - Investment

Article G-01:

Scope and Coverage¹

1. This Chapter applies to measures adopted or maintained by a Party relating to:
 - (a) investors of the other Party;
 - (b) investments of investors of the other Party in the territory of the Party; and
 - (c) with respect to Articles G-06 and G-14, all investments in the territory of the Party.
2. This Chapter does not apply to measures adopted or maintained by a Party relating to investors of the other Party, and investments of such investors, in financial institutions in the Party's territory.
3.
 - (a) Notwithstanding paragraph 2, Articles G-09, G-10 and Section II for breaches by a Party of Articles G-09 and G-10 shall apply to investors of the other Party, and investments of such investors, in financial institutions in the Party's territory, which have obtained the appropriate authorization.
 - (b) The Parties agree to seek further liberalization as set out in Annex G-01.3(b).
4. Nothing in this Chapter shall be construed to prevent a Party from providing a service or performing a function such as law enforcement, correctional services, income security or insurance, social security or insurance, social welfare, public education, public training, health, and child care, in a manner that is not inconsistent with this Chapter.

Article G-02:

National Treatment

1. Each Party shall accord to investors of the other Party treatment no less favourable than that it accords, in like circumstances, to its own investors with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of investments.