

Annex 3-03(3)

Rules of Origin for certain Goods classified in Chapter 50 through 63 of the Harmonized System under Tariff Preferential Quotas

- 50.01-60.02 A change to yarns or fabrics classified in heading 50.01 through 60.02 from fiber or yarn produced or obtained outside the free trade area, provided that the good is spun, woven or knitted in a Party; or
- 52.04 A change to this heading from any other heading, except from any of headings 52.05 through 52.07; or
- A change to heading 52.04 from heading 52.05 through 52.07, whether or not there is also a change from any other heading, provided that the change is the result of dyeing or bleaching, and lubrication and precision winding; or
- 54.01 A change to heading 54.01 from any other heading, except from heading 54.02; or
- A change to heading 54.01 from heading 54.02, whether or not there is also a change from any other chapter, provided that the change involves up-twisting, dyeing or bleaching or thermofixing and lubrication and precision winding; or
- 55.08 A change to heading 55.08 from any other heading, except from heading 55.09 through 55.11; or
- A change to heading 55.08 from heading 55.09 through 55.11, whether or not there is also a change from any other heading, provided that the change is the result of dyeing or bleaching, and lubrication and precision winding; or
- 56.01-59.11 a change to heading 56.01 through 59.11 from any other chapter, including another chapter within that group.
- 61.01-63.10 A change to heading 61.01 through 63.10 from fabric or yarn produced or obtained outside the free trade area provided that the good is both cut (or knitted to shape) and sewn or otherwise assembled in the territory of a Party; or
- 61.01-61.17 A change to heading 61.01 through 61.17 other than garment parts, from not more than six major garment parts or other garment parts that were the result of change from any other chapter, except from non-originating material of chapter 60 and may undergo assembly, which is less than substantial assembly, outside the territory of the Parties, provided it is subsequently reimported into the territory of the Party; or

62.01-62.17 A change to heading 62.01 through 62.17 other than garment parts, from not more than six major garment parts or other garment parts that were the result of change from any other chapter, except from non-originating materials of heading 50.07, 51.11 through 51.13, 52.08 through 52.12, 53.09 through 53.11, 54.07 through 54.08 or 55.12 through 55.16 and may undergo assembly, which is less than substantial assembly, outside the territory of the Parties, provided it is subsequently re-imported into the territory of the Party.

Note 1: For the purposes of the rules of origin of heading 52.04, 54.01 or 55.08, the following definitions shall apply:

Uptwisting of yarn: means twisting the yarn in “S” direction or “Z” direction; the process of twisting yarn on the uptwister. The yarn to be twisted, which has been wound on a balanced support package, is placed on a revolving spindle. The yarn from the revolving supply package is fed upward through a gathering eye or guide, over a stop motion and a tension bar or bars, through a traversing guide, and onto the revolving collecting package.

Thermofixing: A process of heating in autoclave for the purpose of twist setting or of lowering the shrinkage rate;

Lubricating (called also dressing): is a finishing treatment designed to facilitate the use of textile yarn as sewing thread, for example, by giving it antifriction properties or thermal resistance, preventing the formation of static electricity or improving its appearance. Such treatment involves the use of substances based on silicones, starch, wax, paraffin, etc.

Precision winding: winding is the process of transferring yarn or thread from one type of package to another to facilitate subsequent processing. The rehandling of yarn is an integral part of the fiber and textile industries. Not only must be package and the yarn itself be suitable for processing on the next machine in the production process, but also other factors such as packing cases, pressure due to winding tension, etc. must be considered. Basically, there are two types of winding machines: precision winders and drum winders. Precision winders, used primarily for filament yarn, have a traverse driven by a cam that is synchronized with the spindle and produce package with diamond-patterned wind.

Note 2: for the purposes of the rules of origin of heading 61.01 through 61.17 or 62.01 through 62.17 "substantial assembly" means the sewing together or other assembly of six or more major or other parts of a good of this chapter.

Note 3: for purposes of the rules of origin of heading 61.01 through 61.17 or 62.01 through 62.17 "major garment parts" means integral components of the garment, but does not include such parts as collars, cuffs, waistbands, plackets, pockets, lining, padding, accessories, or the like.