

ANNEX 3-B

PRODUCT-SPECIFIC RULES OF ORIGIN

Section A: General Interpretative Notes

For the purpose of interpreting the product-specific rules of origin in this Annex:

- (a) the product-specific rule of origin that applies to a subheading is set out immediately adjacent to it;
- (b) the product-specific rules of origin apply to goods in which production process non-originating materials have been used, as defined in Article 3.2 (c);
- (c) the following definitions shall apply to this Annex:
 - (i) **CC** means Change of Chapter (non-originating materials must be classified in a different chapter (2 digits) from the classification of the good);
 - (ii) **CTH** means Change of Heading (non-originating materials must be classified in a heading (4 digits) different from the classification of the good);
 - (iii) **CTSH** means Change of Subheading (non-originating materials must be classified in a different subheading (6 digits) from the classification of the good); and
 - (iv) **RVC** means Regional Value Content, as established in Article 3.4;
- (d) in the case of Regional Value Content, when a specific percentage is included in the product-specific rule of origin, it may be calculated under the build-up or build-down method;
- (e) where a product-specific rule of origin is defined by a criterion of change of tariff classification accompanied by the expression "except", it shall be construed to mean that the product-specific rule of origin requires that the excluded materials be originating for the good to be originating;

- (f) if a good is subject to a product-specific rule of origin that includes multiple requirements, the good shall be originating only if it satisfies all of the requirements;
- (g) section, chapter or heading notes, where applicable, are found at the beginning of the relevant section or at the beginning of each chapter, and are read in conjunction with the product-specific rule of origin and may impose further conditions on, or provide an alternative to, the product-specific rule of origin; and
- (h) for the purposes of determining whether a good classified in Chapters 61 through 63 is originating under Article 3.2(c), a material classified in headings 51.06, 51.07, 51.11 or 51.12 shall be considered originating provided that the material contains 100 per cent by weight of merino wool and this wool is finer than 17 microns. When this subparagraph is applied, the good shall meet the relevant product-specific rule of origin and a regional value content of not less than 60 per cent.