

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004
CHAPTER FOUR
TEXTILES AND APPAREL

ARTICLE 4.1 : BILATERAL EMERGENCY ACTIONS

1. If, as a result of the reduction or elimination of a customs duty under this Agreement, a textile or apparel good benefiting from preferential tariff treatment under this Agreement is being imported into the territory of a 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 extent and for such time as may be necessary to prevent or remedy such damage and to facilitate adjustment, take emergency action, consisting of an increase in the rate of customs duty on the good to a level not to exceed the lesser of:

- (a) the most-favoured-nation (MFN) applied rate of duty in effect at the time the action is taken; and
- (b) the MFN applied rate of duty in effect on the date of entry into force of this Agreement.

2. In determining serious damage, or actual threat thereof, the importing Party:

- (a) shall examine the effect of increased imports from the exporting Party 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. The importing Party may take an emergency action under this Article only following an investigation by its competent authorities.

4. In the event that the importing Party decides to take such emergency action, the importing Party shall deliver to the exporting Party, without delay, written notice of its intent to take emergency action, and, on the request of the exporting Party, shall enter into consultations with that Party.

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

5. In critical circumstances where delay would cause damage which it would be difficult to repair, a Party may take emergency action under paragraph 1 on a provisional basis pursuant to a preliminary determination that there is clear evidence that imports from the exporting Party have increased as the result of the reduction or elimination of a customs duty under this Agreement, and such imports are causing serious damage, or actual threat thereof, to a domestic industry producing a like or directly competitive good. The duration of such provisional measure shall not exceed 200 days, during which time an investigation by its competent authorities shall be undertaken. Any customs duty increases shall be promptly refunded if the investigation does not result in a finding of serious damage or actual threat thereof consistent with paragraph 1. The duration of any provisional measure shall be counted as part of the period described in subparagraph 6(a).

6. The following conditions and limitations shall apply to any emergency action taken under this Article:

- (a) no emergency action may be maintained for a period exceeding two years, except that the period may be extended by up to two years if the competent authorities of the Party applying the emergency action determine, in conformity with the procedures set out in this Article, that the emergency action continues to be necessary to prevent or remedy serious damage and to facilitate adjustment by the domestic industry, and that there is evidence that the industry is adjusting;
- (b) no emergency action against a good may be taken or maintained beyond the period ending ten years after customs duties on that good have been eliminated pursuant to this Agreement;
- (c) no emergency action may be taken by an importing Party against any particular good of the exporting Party more than once; and
- (d) on termination of the emergency action, the rate of customs duty shall be the rate that would have been in effect but for the emergency action.

7. The Party taking an emergency 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 customs duties expected to result from the emergency action. Such concessions shall be limited to textile and apparel goods, unless the Parties otherwise agree. If the Parties are unable to agree on compensation, the Party against whose good the emergency action is taken may take tariff action having trade effects substantially equivalent to the trade effects of the emergency

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

action taken under this Article. Such tariff action may be taken against any goods of the Party taking the emergency action. The Party taking the tariff action shall apply the tariff action only for the minimum period necessary to achieve the substantially equivalent trade effects. The importing Party's obligation to provide trade compensation and the exporting Party's right to take tariff action shall terminate when the emergency action terminates.

8. Nothing in this Agreement shall be construed to limit a Party's right to restrain imports of textile and apparel goods in a manner consistent with the Agreement on Textiles and Clothing or the Safeguards Agreement. However, a Party may not take or maintain an emergency action under this Article against a textile or apparel good that is subject, or becomes subject, to a safeguard measure that a Party takes pursuant to either such WTO agreement.

ARTICLE 4.2 : RULES OF ORIGIN AND RELATED MATTERS

Application of Chapter Five

1. Except as provided in this Chapter, including its Annexes, Chapter Five (Rules of Origin) applies to textile and apparel goods. [Further language on the interrelationship between Chapter Four and Five under review]
2. The rules of origin set forth in this Agreement shall not apply in determining the country of origin of a textile or apparel good for non-preferential purposes.

Consultations

3. On the request of either Party, the Parties shall consult to consider whether the rules of origin applicable to particular textile and apparel goods should be revised to address issues of availability of supply of fibres, yarns or fabrics in the territories of the Parties.
4. In the consultations referred to in paragraph 3, each Party shall consider all data presented by the other Party showing substantial production in its territory of the particular good. The Parties shall consider that substantial production has been shown if a Party demonstrates that its domestic producers are capable of supplying commercial quantities of the good in a timely manner.
5. The Parties shall endeavour to conclude consultations within 60 days of a request. An agreement between the Parties resulting from the consultations shall supersede any prior rule of origin for such good when approved by the Parties in accordance with Article 23.3 (Amendments).

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

De Minimis

6. A textile or apparel good that is not an originating good, 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 4-A, shall nonetheless be considered to be an originating good if the total weight of all such fibres or yarns in that component is not more than seven percent of the total weight of that component.

7. Notwithstanding the preceding paragraph, a good containing elastomeric yarns in the component of the good that determines the tariff classification of the good shall be considered to be an originating good only if such yarns are wholly formed in the territory of a Party.

Treatment of Sets

8. Notwithstanding the textile and apparel specific rules of origin set out in Annex 4-A, textile and apparel goods classifiable as goods put up in sets for retail sale as provided for in General Rule of Interpretation 3 of the Harmonized System shall not be regarded as originating goods unless each of the goods in the set is an originating good or the total value of the non-originating goods in the set does not exceed 10 percent of the customs value of the set.

ARTICLE 4.3: CUSTOMS COOPERATION

1. The Parties shall cooperate for the purposes of:
 - (a) enforcing or assisting in the enforcement of laws, regulations and procedures of the Parties relating to trade in textile and apparel goods;
 - (b) ensuring the accuracy of claims of origin;
 - (c) enforcing or assisting in the enforcement of laws, regulations and procedures implementing international agreements affecting trade in textile and apparel goods; and
 - (d) preventing circumvention of international agreements affecting trade in textile and apparel goods.
2. On the request of the importing Party, the exporting Party shall conduct a verification

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

for purposes of enabling the importing Party to determine that a claim of origin for a textile or apparel good is accurate. The exporting Party shall conduct such a verification, regardless of whether an importer claims preferential tariff treatment for the good. The exporting Party may also conduct such a verification on its own initiative.

3. Where the importing Party has a reasonable suspicion that an exporter or producer of the exporting Party is engaging in unlawful activity relating to trade in textile and apparel goods, the exporting Party shall conduct, on the request of the importing Party, a verification for purposes of enabling the importing Party to determine that the exporter or producer is complying with applicable customs laws, regulations and procedures regarding trade in textile and apparel goods, including laws, regulations and procedures that the exporting Party adopts and maintains pursuant to this Agreement and laws, regulations and procedures of either Party implementing other international agreements regarding trade in textile and apparel goods, and to determine that claims of origin regarding textile and apparel goods exported or produced by that person are accurate. For purposes of this paragraph, a reasonable suspicion of unlawful activity shall be based on factors including relevant factual information of the type set forth in Article 6.5 (Cooperation) or that indicates:

- (a) circumvention by the exporter or producer of applicable customs laws, regulations or procedures regarding trade in textile and apparel goods, including laws, regulations or procedures adopted to implement this Agreement; or
- (b) the existence of conduct that would facilitate the violation of laws, regulations or procedures relating to other international agreements regarding trade in textile and apparel goods or the nullification or impairment of rights or benefits accruing to a Party under such agreements.

4. The exporting Party, through its competent authorities, shall permit the importing Party, through its competent authorities, to assist in a verification conducted pursuant to paragraph 2 or 3, including by conducting, along with the competent authorities of the exporting Party, visits in the territory of the exporting Party to the premises of an exporter, producer, or any person involved in the movement of a textile or apparel good from the territory of the exporting Party to the territory of the importing Party. If an exporter, producer, or other enterprise refuses to consent to a visit by the competent authorities of the importing Party, and if the importing Party is unable to make the determination described in paragraph 2 or 3 within 12 months after its request for a verification, the importing Party may take appropriate action as described in paragraph 9.

5. In conducting a verification pursuant to paragraph 2 or 3, the exporting Party shall

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

coordinate its activities with the importing Party and shall conclude the verification and report the results within a mutually agreed time. If an agreement on a time is not reached or if the exporting Party does not conclude the verification and report the results to the importing Party within the agreed time, the importing Party may take appropriate action under paragraph 9.

6. Each Party shall provide to the other Party, consistent with its laws, regulations and procedures, production, trade and transit documents and other information necessary to conduct verifications under paragraphs 2 and 3. Any documents or information exchanged between the Parties in the course of such a verification shall be dealt with in accordance with Article 22.4 (Disclosure of Information)^{4, 1}.

7. While a verification is being conducted, the importing Party may, consistent with its laws, regulations, and procedures, take appropriate action, which may include suspending the application of preferential tariff treatment, to:

- (a) the textile or apparel good for which a claim of origin has been made, in the case of a verification under paragraph 2; or
- (b) any textile and apparel goods exported or produced by the person subject to a verification under paragraph 3, where the reasonable suspicion of unlawful activity relates to those goods.

8. The Party conducting a verification under paragraph 2 or 3 shall provide the other Party with a written report on the results of the verification, which shall include all documents and facts supporting any conclusion that the Party reaches.

9. (a) If the importing Party is unable, within 12 months after its request for a verification, to make a determination described in paragraph 2, or makes a negative determination, it may, consistent with its laws, regulations and procedures, take appropriate action, including denying preferential tariff treatment to the textile or apparel good subject to the verification, and to similar goods exported or produced by the person that exported or produced the good.
- (b) If the importing Party is unable, within 12 months after its request for a

[4-1 A governmental entity of a Party may share information gathered under this Article for a purpose set forth in Article 4.3.1 with other government entities of that Party and a Party may make public the identity of a person identified pursuant to this Article. Moreover, sharing information as described in this Article for a purpose set forth in Article 4.3.1 would not be contrary to the public interest and would not prejudice the legitimate commercial interests of particular enterprises, public or private.]

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

verification, to make one of the determinations described in paragraph 3, or makes a negative determination, it may, consistent with its laws, regulations and procedures, take appropriate action, including denying preferential tariff treatment to any textile or apparel good exported or produced by the person subject to the verification.

10. Prior to commencing appropriate action under paragraph 9, the importing Party shall notify the other Party. The importing Party may continue to take appropriate action under paragraph 9 until it receives information sufficient to enable it to make the determination described in paragraph 2 or 3, as the case may be.

11. On the request of either Party, the Parties shall enter into consultations to resolve any technical or interpretive difficulties that may arise under this Article or to discuss ways to improve the effectiveness of their cooperative efforts. In addition, either Party may request technical or other assistance from the other Party in implementing this Article. The Party receiving such a request shall make every effort to respond favourably and promptly to it.

ARTICLE 4.4 : DEFINITIONS

For the purposes of this Chapter:

1. **claim of origin** means a claim that a textile or apparel good is an originating good or a product of a Party;
2. **exporting Party** means the Party from whose territory a textile or apparel good is exported;
3. **importing Party** means the Party into whose territory a textile or apparel good is imported; and
4. **textile or apparel good** means a good listed in the Annex to the Agreement on Textiles and Clothing; **textile and apparel goods** means the goods listed in that Annex.

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

Annex 4-A
Textile and Apparel Specific Rules of Origin

For Chapters 42, 50 Through 63, 70 and 94

Note: For purposes of the rules in this Annex, a good is considered to be “wholly” of a material if the good is made entirely of the material.

Chapter 42 - Luggage

4202.12 A change to subheading 4202.12 from any other chapter, except from headings 54.07, 54.08 or 55.12 through 55.16 or tariff items 5903.10.15, 5903.10.18, 5903.10.20, 5903.10.25, 5903.20.15, 5903.20.18, 5903.20.20, 5903.20.25, 5903.90.15, 5903.90.18, 5903.90.20, 5903.90.25, 5906.99.20, 5906.99.25, 5907.00.05, 5907.00.15 or 5907.00.60.

4202.22 A change to subheading 4202.22 from any other chapter, except from headings 54.07, 54.08 or 55.12 through 55.16 or tariff items 5903.10.15, 5903.10.18, 5903.10.20, 5903.10.25, 5903.20.15, 5903.20.18, 5903.20.20, 5903.20.25, 5903.90.15, 5903.90.18, 5903.90.20, 5903.90.25, 5906.99.20, 5906.99.25, 5907.00.05, 5907.00.15 or 5907.00.60.

4202.32 A change to subheading 4202.32 from any other chapter, except from headings 54.07, 54.08 or 55.12 through 55.16 or tariff items 5903.10.15, 5903.10.18, 5903.10.20, 5903.10.25, 5903.20.15, 5903.20.18, 5903.20.20, 5903.20.25, 5903.90.15, 5903.90.18, 5903.90.20, 5903.90.25, 5906.99.20, 5906.99.25, 5907.00.05, 5907.00.15 or 5907.00.60.

4202.92 A change to subheading 4202.92 from any other chapter, except from headings 54.07, 54.08 or 55.12 through 55.16 or tariff items 5903.10.15, 5903.10.18, 5903.10.20, 5903.10.25, 5903.20.15, 5903.20.18, 5903.20.20, 5903.20.25, 5903.90.15, 5903.90.18, 5903.90.20, 5903.90.25, 5906.99.20, 5906.99.25, 5907.00.05, 5907.00.15 or 5907.00.60.

Chapter 50 - Silk

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

- 5001-5003 A change to heading 50.01 through 50.03 from any other chapter.
- 5004-5006 A change to heading 50.04 through 50.06 from any heading outside that group.
- 5007 A change to heading 50.07 from any other heading.

Chapter 51 - Wool, Fine or Coarse Animal Hair; Horsehair Yarn and Woven Fabric

- 5101-5105 A change to heading 51.01 through 51.05 from any other chapter.
- 5106-5110 A change to heading 51.06 through 51.10 from any heading outside that group.
- 5111-5113 A change to heading 51.11 through 51.13 from any heading outside that group, except from heading 51.06 through 51.10, 52.05 through 52.06, 54.01 through 54.04 or 55.09 through 55.10.

Chapter 52 - Cotton

- 5201-5207 A change to heading 52.01 through 52.07 from any other chapter, except from heading 54.01 through 54.05 or 55.01 through 55.07.
- 5208-5212 A change to heading 52.08 through 52.12 from any heading outside that group, except from heading 51.06 through 51.10, 52.05 through 52.06, 54.01 through 54.04 or 55.09 through 55.10.

Chapter 53 - Other Vegetable Textile Fibres; Paper Yarn and Woven Fabrics of Paper Yarn

- 5301-5305 A change to heading 53.01 through 53.05 from any other chapter.
- 5306-5308 A change to heading 53.06 through 53.08 from any heading outside that group.
- 5309 A change to heading 53.09 from any other heading, except from heading 53.07 through 53.08.
- 5310-5311 A change to heading 53.10 through 53.11 from any heading outside

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

that group, except from heading 53.07 through 53.08.

Chapter 54 – Man-Made Filaments

- 5401-5406 A change to heading 54.01 through 54.06 from any other chapter, except from heading 52.01 through 52.03 or 55.01 through 55.07.
- 5407 A change to tariff items 5407.61.11, 5407.61.21 or 5407.61.91 from tariff items 5402.43.10 or 5402.52.10, or from any other chapter, except from headings 51.06 through 51.10, 52.05 through 52.06 or 55.09 through 55.10.
- A change to heading 54.07 from any other chapter, except from heading 51.06 through 51.10, 52.05 through 52.06 or 55.09 through 55.10.
- 5408 A change to heading 54.08 from any other chapter, except from heading 51.06 through 51.10, 52.05 through 52.06 or 55.09 through 55.10.

Chapter 55 – Man-Made Staple Fibres

- 5501-5511 A change to heading 55.01 through 55.11 from any other chapter, except from heading 52.01 through 52.03 or 54.01 through 54.05.
- 5512-5516 A change to heading 55.12 through 55.16 from any heading outside that group, except from heading 51.06 through 51.10, 52.05 through 52.06, 54.01 through 54.04 or 55.09 through 55.10.

Chapter 56 - Wadding, Felt and Nonwovens; Special Yarns; Twine, Cordage, Ropes and Cables and Articles Thereof

- 5601-5609 A change to heading 56.01 through 56.09 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, or Chapter 54 through 55.

Chapter 57 - Carpets and Other Textile Floor Coverings

- 5701-5705 A change to heading 57.01 through 57.05 from any other chapter,

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

except from heading 51.06 through 51.13, 52.04 through 52.12, 53.08
or 53.11, Chapter 54, or heading 55.08 through 55.16.

**Chapter 58 - Special Woven Fabrics; Tufted Textile Fabrics; Lace; Tapestries;
Trimmings; Embroidery**

5801-5811 A change to heading 58.01 through 58.11 from any other chapter,
except from heading 51.06 through 51.13, 52.04 through 52.12, 53.07
through 53.08 or 53.10 through 53.11, or Chapter 54 through 55.

**Chapter 59 - Impregnated, Coated, Covered or Laminated Textile Fabrics; Textile
Articles of a Kind Suitable For Industrial Use**

5901 A change to heading 59.01 from any other chapter, except from
heading 51.11 through 51.13, 52.08 through 52.12, 53.10 through
53.11, 54.07 through 54.08 or 55.12 through 55.16.

5902 A change to heading 59.02 from any other heading, except from
heading 51.06 through 51.13, 52.04 through 52.12 or 53.06 through
53.11, or Chapter 54 through 55.

5903-5908 A change to heading 59.03 through 59.08 from any other chapter,
except from heading 51.11 through 51.13, 52.08 through 52.12, 53.10
through 53.11, 54.07 through 54.08 or 55.12 through 55.16.

5909 A change to heading 59.09 from any other chapter, except from
heading 51.11 through 51.13, 52.08 through 52.12 or 53.10 through
53.11, Chapter 54, or heading 55.12 through 55.16.

5910 A change to heading 59.10 from any other heading, except from
heading 51.06 through 51.13, 52.04 through 52.12, 53.07 through
53.08 or 53.10 through 53.11, or Chapter 54 through 55.

5911 A change to heading 59.11 from any other chapter, except from
heading 51.11 through 51.13, 52.08 through 52.12, 53.10 through
53.11, 54.07 through 54.08 or 55.12 through 55.16.

Chapter 60 - Knitted or Crocheted Fabrics

6001-6006 A change to heading 60.01 through 60.06 from any other chapter,

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

except from heading 51.06 through 51.13, Chapter 52, heading 53.07 through 53.08 or 53.10 through 53.11, or Chapter 54 through 55.

Chapter 61 - Articles of Apparel and Clothing Accessories, Knitted or Crocheted

Chapter Rule 1: *Except for fabrics classified in 5408.22.10, 5408.23.11, 5408.23.21, and 5408.24.10, the fabrics identified in the following sub-headings and headings, when used as visible lining material in certain men's and women's suits, suit-type jackets, skirts, overcoats, carcoats, anoraks, windbreakers, and similar articles, must be both formed from yarn and finished in the territory of a Party:*

5111 through 5112, 5208.31 through 5208.59, 5209.31 through 5209.59, 5210.31 through 5210.59, 5211.31 through 5211.59, 5212.13 through 5212.15, 5212.23 through 5212.25, 5407.42 through 5407.44, 5407.52 through 5407.54, 5407.61, 5407.72 through 5407.74, 5407.82 through 5407.84, 5407.92 through 5407.94, 5408.22 through 5408.24, 5408.32 through 5408.34, 5512.19, 5512.29, 5512.99, 5513.21 through 5513.49, 5514.21 through 5515.99, 5516.12 through 5516.14, 5516.22 through 5516.24, 5516.32 through 5516.34, 5516.42 through 5516.44, 5516.92 through 5516.94, 6001.10, 6001.92, 6005.31 through 6005.44 or 6006.10 through 6006.44.

Chapter Rule 2: *For purposes of determining the origin of a good of this Chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good. If the rule requires that the good must also satisfy the tariff change requirements for visible lining fabrics listed in chapter rule 1 to this Chapter, such requirement shall only apply to the visible lining fabric in the main body of the garment, excluding sleeves, which covers the largest surface area, and shall not apply to removable linings.*

6101.10-6101.30 A change to subheadings 6101.10 through 6101.30 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6101.90 A change to subheading 6101.90 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6102.10-6102.30 A change to subheadings 6102.10 through 6102.30 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6102.90 A change to subheading 6102.90 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6103.11-6103.12 A change to subheadings 6103.11 through 6103.12 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6103.19 A change to tariff items 6103.19.60 or 6103.19.90 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

A change to subheading 6103.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6103.21-6103.29 A change to subheadings 6103.21 through 6103.29 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) with respect to a garment described in heading 61.01 or a jacket or a blazer described in heading 61.03, of wool, fine animal hair, cotton or man-made fibres, imported as part of an ensemble of these subheadings, any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

- 6103.31-6103.33 A change to subheadings 6103.31 through 6103.33 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:
- (a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and
- (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.
- 6103.39 A change to tariff items 6103.39.40 or 6103.39.80 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- A change to subheading 6103.39 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:
- (a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and
- (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.
- 6103.41-6103.49 A change to subheadings 6103.41 through 6103.49 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6104.11-6104.13 A change to subheadings 6104.11 through 6104.13 from any other

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6104.19

A change in tariff items 6104.19.40 or 6104.19.80 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

A change to subheading 6104.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6104.21-6104.29

A change to subheadings 6104.21 through 6104.29 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) with respect to a garment described in heading 61.02, a

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

jacket or a blazer described in heading 61.04, or a skirt described in heading 61.04, of wool, fine animal hair, cotton or man-made fibres, imported as part of an ensemble of these subheadings, any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

- 6104.31-6104.33 A change to subheadings 6104.31 through 6104.33 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:
- (a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.
- 6104.39 A change to tariff items 6104.39.20 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- A change to subheading 6104.39 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:
- (a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.
- 6104.41-6104.49 A change to subheadings 6104.41 through 6104.49 from any other chapter, except from headings 51.06 through 51.13, 52.04 through

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6104.51-6104.53 A change to subheadings 6104.51 through 6104.53 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6104.59 A change to tariff items 6104.59.40 or 6104.59.80 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

A change to subheading 6104.59 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:

(a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6104.61-6104.69 A change to subheadings 6104.61 through 6104.69 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

- 6105-6106 A change to headings 61.05 through 61.06 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6107.11-6107.19 A change to subheadings 6107.11 through 6107.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6107.21 A change to subheading 6107.21 from:
- (a) tariff items 6006.21.10, 6006.22.10, 6006.23.10, or 6006.24.10 provided that the good, exclusive of collar, cuffs, waistband or elastic, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, or
- (b) any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6107.22-6107.99 A change to subheadings 6107.22 through 6107.99 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6108.11-6108.19 A change to subheadings 6108.11 through 6108.19 from any other

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6108.21 A change to subheading 6108.21 from:

(a) tariff items 6006.21.10, 6006.22.10, 6006.23.10, or 6006.24.10 provided that the good, exclusive of waistband, elastic or lace, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, or

(b) any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6108.22-6108.29 A change to subheadings 6108.22 through 6108.29 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6108.31 A change to subheading 6108.31 from:

(a) tariff items 6006.21.10, 6006.22.10, 6006.23.10, or 6006.24.10 provided that the good, exclusive of collar, cuffs, waistband, elastic or lace, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, or

(b) any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

- 6108.32-6108.39 A change to subheadings 6108.32 through 6108.39 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6108.91-6108.99 A change to subheadings 6108.91 through 6108.99 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6109-6111 A change to headings 61.09 through 61.11 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6112.11-6112.19 A change to subheadings 6112.11 through 6112.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6112.20 A change to subheading 6112.20 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that:
- (a) the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties, and

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

(b) with respect to a garment described in heading 61.01, 61.02, 62.01 or 62.02, of wool, fine animal hair, cotton or man-made fibres, imported as part of a ski-suit of this subheading, any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 61.

6112.31-6112.49 A change to subheadings 6112.31 through 6112.49 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6113-6117 A change to headings 61.13 through 61.17 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

Chapter 62 Articles of Apparel and Clothing Accessories, Not Knitted or Crocheted

Chapter Rule 1: *Except for fabrics classified in 5408.22.10, 5408.23.11, 5408.23.21, and 5408.24.10, the fabrics identified in the following sub-headings and headings, when used as visible lining material in certain men's and women's suits, suit-type jackets, skirts, overcoats, carcoats, anoraks, windbreakers, and similar articles, must be both formed from yarn and finished in the territory of a Party:*

5111 through 5112, 5208.31 through 5208.59, 5209.31 through 5209.59, 5210.31 through 5210.59, 5211.31 through 5211.59, 5212.13 through 5212.15, 5212.23 through 5212.25, 5407.42 through 5407.44, 5407.52 through 5407.54, 5407.61, 5407.72 through 5407.74, 5407.82 through 5407.84, 5407.92 through 5407.94, 5408.22 through 5408.24, 5408.32 through 5408.34, 5512.19, 5512.29, 5512.99, 5513.21 through 5513.49, 5514.21 through 5515.99, 5516.12 through 5516.14, 5516.22 through 5516.24, 5516.32 through 5516.34, 5516.42 through 5516.44, 5516.92 through 5516.94, 6001.10, 6001.92, 6005.31 through

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

6005.44 or 6006.10 through 6006.44.

Chapter Rule 2: *Apparel goods of this Chapter shall be considered to originate if they are both cut and sewn or otherwise assembled in the territory of one or both of the Parties and if the fabric of the outer shell, exclusive of collars or cuffs, is wholly of one or more of the following:*

- (a) Velveteen fabrics of subheading 5801.23, containing 85 per cent or more by weight of cotton;
- (b) Corduroy fabrics of subheading 5801.22, containing 85 per cent or more by weight of cotton and containing more than 7.5 wales per centimeter;
- (c) Fabrics of subheading 5111.11 or 5111.19, if hand-woven, with a loom width of less than 76 cm, woven in the United Kingdom in accordance with the rules and regulations of the Harris Tweed Association, Ltd., and so certified by the Association;
- (d) Fabrics of subheading 5112.30, weighing not more than 340 grams per square meter, containing wool, not less than 20 per cent by weight of fine animal hair and not less than 15 per cent by weight of man-made staple fibres;
or
- (e) Batiste fabrics of subheading 5513.11 or 5513.21, of square construction, of single yarns exceeding 76 metric count, containing between 60 and 70 warp ends and filling picks per square centimetre, of a weight not exceeding 110 grams per square meter.

Chapter Rule 3: *For purposes of determining the origin of a good of this Chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good. If the rule requires that the good must also satisfy the tariff change requirements for visible lining fabrics listed in chapter rule 1 to this Chapter, such requirement shall only apply to the visible lining fabric in the main body of the garment, excluding sleeves, which covers the largest surface area, and shall not apply to removable linings.*

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

- 6201.11-6201.13 A change to subheadings 6201.11 through 6201.13 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:
- (a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.
- 6201.19 A change to subheading 6201.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6201.91-6201.93 A change to subheadings 6201.91 through 6201.93 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:
- (a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.
- 6201.99 A change to subheading 6201.99 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6202.11-6202.13 A change to subheadings 6202.11 through 6202.13 from any other chapter, except from headings 51.06 through 51.13, 52.04 through

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

6202.19 A change to subheading 6202.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

6202.91-6202.93 A change to subheadings 6202.91 through 6202.93 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

6202.99 A change to subheading 6202.99 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

6203.11-6203.12 A change to subheadings 6203.11 through 6203.12 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

6203.19

A change to tariff items 6203.19.50 or 6203.19.90 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

A change to subheading 6203.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

6203.21-6203.29

A change to subheadings 6203.21 through 6203.29 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) with respect to a garment described in heading 62.01 or a jacket or a blazer described in heading 62.03, of wool, fine animal hair, cotton or man-made fibres, imported as part of an ensemble of these subheadings, any visible lining material contained in the apparel article must satisfy the requirements of

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

Chapter Rule 1 for Chapter 62.

- 6203.31-6203.33 A change to subheadings 6203.31 through 6203.33 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:
- (a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.
- 6203.39 A change to tariff items 6203.39.50 or 6203.39.90 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- A change to subheading 6203.39 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:
- (a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.
- 6203.41-6203.49 A change to subheadings 6203.41 through 6203.49 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6204.11-6204.13 A change to subheadings 6204.11 through 6204.13 from any other

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

6204.19

A change to tariff items 6204.19.40 or 6204.19.80 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

A change to subheading 6204.19 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

6204.21-6204.29

A change to subheadings 6204.21 through 6204.29 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) with respect to a garment described in heading 62.02, a jacket or a blazer described in heading 62.04, or a skirt

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

described in heading 62.04, of wool, fine animal hair, cotton or man-made fibres, imported as part of an ensemble of these subheadings, any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

- 6204.31-6204.33 A change to subheadings 6204.31 through 6204.33 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:
- (a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.
- 6204.39 A change to tariff items 6204.39.60 or 6204.39.80 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- A change to subheading 6204.39 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:
- (a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.
- 6204.41-6204.49 A change to subheadings 6204.41 through 6204.49 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

6204.51-6204.53 A change to subheadings 6204.51 through 6204.53 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

6204.59 A change to tariff item 6204.59.40 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

A change to subheading 6204.59 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:

(a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and

(b) any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.

6204.61-6204.69 A change to subheadings 6204.61 through 6204.69 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

6205.10 A change to subheading 6205.10 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

6205.20-6205.30

Subheading Rule: *Men's or boys' shirts of cotton or man-made fibres shall be considered to originate if they are both cut and assembled in the territory of one or more of the Parties and if the fabric of the outer shell, exclusive of collars or cuffs, is wholly of one or more of the following:*

- (a) Fabrics of subheading 5208.21, 5208.22, 5208.29, 5208.31, 5208.32, 5208.39, 5208.41, 5208.42, 5208.49, 5208.51, 5208.52 or 5208.59, of average yarn number exceeding 135 metric;
- (b) Fabrics of subheading 5513.11 or 5513.21, not of square construction, containing more than 70 warp ends and filling picks per square centimetre, of average yarn number exceeding 70 metric;
- (c) Fabrics of subheading 5210.21 or 5210.31, not of square construction, containing more than 70 warp ends and filling picks per square centimetre, of average yarn number exceeding 70 metric;
- (d) Fabrics of subheading 5208.22 or 5208.32, not of square construction, containing more than 75 warp ends and filling picks per square centimetre, of average yarn number exceeding 65 metric;
- (e) Fabrics of subheading 5407.81, 5407.82 or 5407.83, weighing less than 170 grams per square meter, having a dobby weave created by a dobby attachment;
- (f) Fabrics of subheading 5208.42 or 5208.49, not of square construction, containing more than 85 warp ends and filling picks per square centimetre, of average yarn number exceeding 85 metric;
- (g) Fabrics of subheading 5208.51, of square construction, containing

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

more than 75 warp ends and filling picks per square centimetre, made with single yarns, of average yarn number 95 or greater metric;

(h) Fabrics of subheading 5208.41, of square construction, with a gingham pattern, containing more than 85 warp ends and filling picks per square centimetre, made with single yarns, of average yarn number 95 or greater metric, and characterized by a check effect produced by the variation in colour of the yarns in the warp and filling; or

(i) Fabrics of subheading 5208.41, with the warp coloured with vegetable dyes, and the filling yarns white or coloured with vegetable dyes, of average yarn number greater than 65 metric.

- 6205.20-6205.30 A change to subheadings 6205.20 through 6205.30 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6205.90 A change to subheading 6205.90 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6206-6210 A change to headings 62.06 through 62.10 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6211.11-6211.12 A change to subheadings 6211.11 through 6211.12 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

- 6211.20 A change to subheading 6211.20 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that:
- (a) the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and
 - (b) with respect to a garment described in heading 61.01, 61.02, 62.01 or 62.02, of wool, fine animal hair, cotton or man-made fibres, imported as part of a ski-suit of this subheading, any visible lining material contained in the apparel article must satisfy the requirements of Chapter Rule 1 for Chapter 62.
- 6211.31-6211.49 A change to subheadings 6211.31 through 6211.49 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.
- 6212.10 A change to subheading 6212.10 from any other chapter, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties, and provided that, during each annual period, such goods of a producer or an entity controlling production shall be eligible for preferential treatment under this Agreement only if the aggregate cost of fabric(s) (exclusive of findings and trimmings) formed in the territory of one or both of the Parties that is used in the production of all such articles of that producer or entity during the preceding annual period is at least 75 percent of the aggregate declared customs value of the fabric (exclusive of findings and trimmings) contained in all such goods of that producer or entity that are entered during the preceding one year period.
- 6212.20-6212.90 A change to subheadings 6212.20 through 6212.90 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

assembled in the territory of one or both of the Parties.

6213-6217 A change to headings 62.13 through 62.17 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or headings 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or both of the Parties.

Chapter 63 - Other Made Up Textile Articles; Sets; Worn Clothing and Worn Textile Articles; Rags

Chapter Rule 1: *For purposes of determining the origin of a good of this Chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good.*

6301.20 A change to subheading 6301.20 from heading 5108aa² or from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6301-6302 A change to heading 63.01 through 63.02 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6303 A change to tariff item 6303.92.10 from tariff items 5402.43.10 or 5402.52.10 or any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, chapter 54, or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut and sewn or

² Subheadings 5108.10 and 5108.20 to be amended to provide for yarns of mohair

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004

otherwise assembled in the territory of one or both of the Parties.

A change to heading 63.03 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6304-6308 A change to headings 63.04 through 63.08 from any other chapter, except from headings 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

6309 A change to 63.09 from any other heading.

6310 A change to heading 63.10 from any other chapter, except from heading 51.06 through 51.13, 52.04 through 52.12, 53.07 through 53.08 or 53.10 through 53.11, Chapter 54, or heading 55.08 through 55.16, 58.01 through 58.02 or 60.01 through 60.06, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or both of the Parties.

Chapter 70 - Glass Fibre Rovings and Yarns

7019 A change to heading 70.19 from any other heading, except from headings 70.07 through 70.20.

Chapter 94 - Comforters

9404.90 A change to subheading 9404.90 from any other chapter, except from headings 50.07, 51.11 through 51.13, 52.08 through 52.12, 53.09 through 53.11, 54.07 through 54.08, 55.12 through 55.16 or subheading 6307.90

DRAFT
SUBJECT TO LEGAL REVIEW FOR ACCURACY, CLARITY, AND CONSISTENCY
MARCH 1, 2004