

CHAPTER 3

RULES OF ORIGIN

Section A: Rules of Origin

Article 3.1: Definitions

For purposes of this Chapter:

aquaculture means the farming of aquatic organisms including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants from seed stock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding or protection from predators;

CIF value means the value of the imported good, inclusive of the cost of insurance and freight up to the port or place of entry into the country of importation;

competent authority means the government authority or authorities designated by a Party and notified to the other Party;

FOB value means the value of the good free on board, inclusive of the cost of transport (regardless of the mode of transport) to the port or site of final shipment abroad;

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

Generally Accepted Accounting Principles means those principles recognised by consensus or with substantial authoritative support in a Party, with respect to the recording of revenues, expenses, costs, assets and liabilities, the disclosure of information, and the preparation of financial statements. These principles may encompass broad guidelines of general application as well as detailed standards, practices and procedures;

good means any merchandise, product, article or material;

material shall include ingredients, raw materials, parts, components, sub-assemblies used in the production process;

non-originating good or **non-originating material** means a good or material which does not qualify as originating in accordance with this Chapter;

originating material means a material which qualifies as originating in accordance with this Chapter;

producer means a person who engages in the production of goods;

production means methods of obtaining goods including growing, mining, harvesting, farming, raising, breeding, extracting, gathering, collecting, capturing, fishing, aquaculture, trapping, hunting, manufacturing, producing, processing or assembling; and

Sub-Committee on Goods means the Sub-Committee established under Article 2.17 (Sub-Committee on Goods).

Article 3.2: Originating Goods

For purposes of this Agreement, a good shall be treated as an originating good if it is:

- (a) wholly obtained or produced in a Party as provided in Article 3.3;
- (b) produced in a Party exclusively from originating materials from one or both of the Parties; or
- (c) produced in a Party using non-originating materials, provided the good satisfies the applicable requirements set out in Annex 3-A,

and meets all other applicable requirements of this Chapter without interruption in the territory of the exporting Party.

Article 3.3: Goods Wholly Obtained or Produced

For purposes of Article 3.2, the following goods shall be considered as wholly obtained or produced in a Party:

- (a) plants and plant goods, including fruit, flowers, vegetables, trees, seaweed, fungi and live plants, grown and harvested, picked or gathered there;
- (b) live animals born and raised there;

- (c) goods obtained from live animals raised there;
- (d) goods obtained by hunting, trapping, fishing, farming, aquaculture, gathering or capturing conducted there;
- (e) minerals and other naturally occurring substances, not included in subparagraphs (a) through (d), extracted or taken from its soil, waters, seabed or subsoil beneath the seabed;
- (f) goods of sea-fishing and other marine life taken by vessels of that Party,¹ and other goods taken by that Party or a person of that Party, from the waters, seabed or subsoil beneath the seabed outside the territorial sea of the Parties and non-Parties, in accordance with international law, provided that, in case of goods of sea-fishing and other marine life taken from the exclusive economic zone of any Party or non-Party, that Party or person of that Party has the rights to exploit² such exclusive economic zone, and in case of other goods, that Party or person of that Party has rights to exploit such seabed and subsoil beneath the seabed, in accordance with international law;
- (g) goods of sea-fishing and other marine life taken by vessels of that Party from the high seas in accordance with international law;
- (h) goods processed or made on board any factory ships of that Party, exclusively from the goods referred to in subparagraph (f) or (g);
- (i) goods which are:
 - (i) waste and scrap derived from production or consumption there, provided that such goods are fit only for disposal, for the recovery of raw materials or for recycling purposes; or

¹ For purposes of this Article, “factory ships of that Party” or “vessels of that Party” respectively, means factory ships or vessels which are:

- (i) registered in that Party; and
- (ii) entitled to fly the flag of that Party.

² For purposes of determining the origin of goods of sea-fishing and other marine life, “rights to exploit” in this subparagraph include those rights of access to the fisheries resources of a coastal State, as accruing from any agreements or arrangements between a Party and the coastal State.

- (ii) used goods collected there, provided that such goods are fit only for disposal, for the recovery of parts or raw materials, or for recycling purposes; and
- (j) goods obtained or produced there solely from goods referred to in subparagraphs (a) through (i), or from their derivatives.

Article 3.4: Cumulation

1. A good which is to be treated as originating and is used in the production of a good or goods in the territory of the other Party shall be considered to originate in the territory of that other Party.

2. Each Party shall provide that a good is originating where the good is produced in the territory of one or both of the Parties by one or more producers, regardless of whether that production was sufficient to confer originating status on the material used in the production of that good.

3. Notwithstanding paragraphs 1 and 2, the Parties shall commence a review of this Article after three years from the date of entry into force of this Agreement. This review will consider the extension of the application of cumulation in paragraph 1 to all production undertaken and value added to a good within the Parties. The Parties shall conclude the review within one year of the date of its commencement, unless both Parties agree otherwise.

Article 3.5: Calculation of Regional Value Content

1. The regional value content of a good, specified in Annex 3-A, shall be calculated by using either of the following formulas:

- (a) Indirect/Build-Down Formula

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

or

- (b) Direct/Build-Up Formula

$$RVC = \frac{\begin{array}{c} \text{Direct} \quad \text{Direct} \quad \text{Other} \\ \text{VOM} + \text{Labour} + \text{Overhead} + \text{Profit} + \text{Cost} \\ \text{Cost} \quad \text{Cost} \end{array}}{FOB} \times 100$$

where:

“RVC” is the regional value content of a good, expressed as a percentage;

“FOB” is the FOB value as defined in of Article 3.1;

“VOM” is the value of originating materials, parts, or produce acquired or self-produced, and used in the production of the good;

“VNM” is the value of non-originating materials used in the production of the good;

“Direct Labour Cost” includes wages, remuneration and other employee benefits; and

“Direct Overhead Cost” is the total overhead expense.

2. The value of goods under this Chapter shall be calculated, *mutatis mutandis*, in accordance with Article VII of GATT 1994 and the Customs Valuation Agreement. All costs shall be recorded and maintained in accordance with the Generally Accepted Accounting Principles applicable in the Party where the goods are produced.

3. The value of non-originating materials shall be:

- (a) for imported materials, the CIF value of the materials at the time of importation; and
- (b) for materials obtained within a Party, the earliest ascertainable price paid or payable.

4. A material of undetermined origin shall be treated as a non-originating material.

5. The following expenses may be deducted from the value of non-originating materials or materials of undetermined origin:

- (a) the costs of freight, insurance, packing and other transport-related costs incurred in transporting the goods to the producer;
- (b) duties, taxes and customs brokerage fees, other than duties that are waived, refunded or otherwise recovered; and

- (c) costs of waste and spillage, less the value of any renewable scrap or by-products,

Where the expenses listed in subparagraphs (a) through (c) are unknown or evidence is not available, then no deduction is allowed for those expenses.

Article 3.6: Minimal Operations and Processes

Notwithstanding any provisions of this Chapter, the following operations when undertaken on non-originating materials to produce a good shall be considered as insufficient working or processing to confer on that good the status of an originating good:

- (a) preserving operations to ensure that the good remains in good condition for purposes of transport or storage;
- (b) packaging or presenting goods for transportation or sale;
- (c) simple³ processes, consisting of sifting, screening, sorting, classifying, sharpening, cutting, slitting, grinding, bending, coiling or uncoiling;
- (d) affixing or printing of marks, labels, logos or other like distinguishing signs on goods or their packaging;
- (e) mere dilution with water or another substance that does not materially alter the characteristics of the good;
- (f) disassembly of products into parts;
- (g) slaughtering⁴ of animals;
- (h) simple painting and polishing operations;
- (i) simple peeling, stoning or shelling;
- (j) simple mixing of goods, whether or not of different kinds; or

³ For purposes of this Article, “simple” describes an activity which does not need special skills, or machines, apparatus, or equipment especially produced or installed for carrying out the activity.

⁴ For purposes of this Article, “slaughtering” means the mere killing of animals.

- (k) any combination of two or more operations referred to in subparagraphs (a) through (j).

Article 3.7: De Minimis

1. A good that does not satisfy a change in tariff classification pursuant to Annex 3-A is nonetheless an originating good if the good meets all of the other applicable requirements in this Chapter and:

- (a) for a good classified in Chapters 1 through 97 of the HS Code, the value of non-originating materials that have been used in the production of the good and did not undergo the applicable change in tariff classification does not exceed 10 percent of the FOB value of that good. The value of those non-originating materials shall be determined pursuant to Article 3.5.3; or
- (b) for a good classified in Chapters 50 through 63 of the HS Code, the weight of all non-originating materials used in its production that did not undergo the required change in tariff classification does not exceed 10 percent of the total weight of the good.

2. The value of non-originating materials referred to in paragraph 1 shall, however, be included in the value of non-originating materials for any applicable regional value content requirement.

Article 3.8: Treatment of Packing and Packaging Materials and Containers

1. Packing materials and containers for the transportation and shipment of a good shall not be taken into account in determining the originating status of any good.

2. Packaging materials and containers in which a good is packaged for retail sale, which are classified together with the good, shall not be taken into account in determining the originating status of the good, provided that the good is:

- (a) wholly obtained or produced in a Party in accordance with Article 3.2(a);
- (b) produced in a Party exclusively from originating materials from one or both of the Parties, in accordance with Article 3.2(b); or

- (c) subject to a change in tariff classification or a specific manufacturing or processing operation requirement provided in Annex 3-A.

3. If a good is subject to a regional value content requirement, the value of the packaging materials and containers in which the good is packaged for retail sale shall be taken into account as originating materials or non-originating materials of the good, as the case may be, in calculating the regional value content of the good.

Article 3.9: Accessories, Spare Parts, Tools and Instructional or Other Information Materials

1. For purposes of determining the originating status of a good, accessories, spare parts, tools and instructional or other information materials presented with the good shall be considered as part of the good and shall be disregarded in determining whether all the non-originating materials used in the production of the good have undergone the applicable change in tariff classification or a specific manufacturing or processing operation set out in Annex 3-A, provided that:

- (a) the accessories, spare parts, tools and instructional or other information materials presented with the good are not invoiced separately from the good; and
- (b) the quantities and value of the accessories, spare parts, tools and instructional or other information materials presented with the good are customary for the good.

2. Notwithstanding paragraph 1, if a good is subject to a regional value content requirement, the value of the accessories, spare parts, tools and instructional or other information materials presented with the good shall be taken into account as originating materials or non-originating materials, as the case may be, in calculating the regional value content of the good, provided that:

- (a) the accessories, spare parts, tools and instructional or other information materials presented with the good are not invoiced separately from the good; and
- (b) the quantities and value of the accessories, spare parts, tools and instructional or other information materials presented with the good are customary for the good.

Article 3.10: Indirect Materials

1. An indirect material shall be treated as an originating material without regard to where it is produced and its value shall be the cost registered in accordance with the Generally Accepted Accounting Principles in the records of the producer of the good.

2. For purposes of this Article, “indirect material” means a good used in the production, testing or inspection of another good but not physically incorporated into that other 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 goods 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 and safety equipment and supplies;
- (f) equipment, devices and supplies used for testing or inspecting 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.

Article 3.11: Fungible Goods or Materials

The determination of whether fungible goods or materials are originating shall be made either by physical segregation of each of the fungible goods or materials or, where commingled, by the use of an inventory management method which is recognised in the Generally Accepted Accounting Principles of the exporting Party, and should be used throughout the fiscal year.

Article 3.12: Intermediate Goods⁵

1. When an originating good is used in the subsequent production of another good, no account shall be taken of the non-originating materials contained in the originating good for purposes of determining the originating status of the subsequently produced good.
2. When a non-originating good is used in the subsequent production of another good:
 - (a) for purposes of calculating the value of the non-originating materials of the subsequently produced good, an account shall be taken only of the non-originating materials contained in the non-originating good; and
 - (b) for purposes of calculating the value of the originating materials of the subsequently produced good, an account shall be taken of the originating materials contained in the non-originating good.

Article 3.13: Unit of Qualification

1. The unit of qualification for the application of this Chapter shall be the particular good which is considered as the basic unit when determining classification under the Harmonized System.
2. When a consignment consists of a number of identical goods classified under a single tariff line, each good shall be individually taken into account in determining whether it qualifies as an originating good.

Article 3.14: Sets of Goods

1. Each Party shall provide that if goods are classified as a set as a result of the application of rule 3 of the *General Rules of Interpretation of the Harmonized System*, the set is originating only if each good in the set is originating.
2. Notwithstanding paragraph 1, set of goods is originating if the value of all the non-originating goods in the set does not exceed 10 percent of the FOB value of the set.

⁵ For greater certainty, this Article applies only to production processes within a Party.

Article 3.15: Treatment for Certain Goods

Notwithstanding Article 3.2, certain goods shall be considered to be originating even if the production process or operation has been undertaken in an area located outside the territory of Korea and in the Korean Peninsula, on materials exported from a Party and subsequently re-imported to that Party provided that the conditions set out in Annex 3-B are fulfilled.

Article 3.16: Transit and Transshipment

1. Each Party shall provide that a good shall not be considered to be an originating good if the good:

- (a) undergoes subsequent production or any other operation outside the territories of the Parties, other than unloading, reloading or any other operation necessary to preserve the good in good condition or to transport the good to the territory of a Party; or
- (b) has entered into commerce or free circulation in the non-Party.

2. For purposes of implementing paragraph 1, where transportation is affected through the territory of one or more intermediate countries, other than that of both Parties, the following shall be produced to the relevant government authorities of the importing Party:

- (a) through Bill of Lading issued in the territory of the exporting Party, which include a combination of any transport document covering the entire transport route of the goods from the exporting Party to the importing Party; or
- (b) other relevant supporting documents, if any, as evidence that the requirements of paragraph 1 are being complied with.

Section B: Origin Procedures

Article 3.17: Proof of Origin

1. Any of the following shall be considered as a Proof of Origin:

- (a) an Origin Declaration made out by an approved exporter in accordance with Article 3.18.1(a); or

- (b) an Origin Declaration by an exporter or a producer in accordance with Article 3.18.1(b).

2. The Origin Declaration specified in paragraph 1(b) shall be implemented no later than five years after the respective dates of entry into force of this Agreement with the notification by a Party to the other Party of its intention to implement it through the Contact Points referred to in Article 3.30.

3. Each Party shall grant preferential tariff treatment in accordance with this Agreement to an originating good imported from the territory of the other Party on the basis of a Proof of Origin.

4. Each Party shall provide that a Proof of Origin remains valid for one year from the date on which it is made out.

Article 3.18: Origin Declaration

1. An Origin Declaration referred to in Article 3.17 may be completed by:

- (a) an approved exporter within the meaning of Article 3.19; or
- (b) an exporter or a producer of the good, subject to Article 3.17.2.

2. An Origin Declaration shall:

- (a) be completed in accordance with Annex 3-C;
- (b) be in the English language;
- (c) bear the name and signature of the certifying person, manually or electronically; and
- (d) bear the date on which the Origin Declaration was completed.

Article 3.19: Approved Exporter

1. Each Party shall provide for the authorisation of an exporter who exports goods under this Agreement as an approved exporter, in accordance with its laws and regulations. An exporter seeking such authorisation must offer to the satisfaction of the competent authority of the exporting Party all guarantees necessary to verify the originating status of the good for which an Origin Declaration is completed. The competent authority of an exporting Party

may grant the status of approved exporter subject to any conditions which it considers appropriate, including the following that:

- (a) the exporter is duly registered in accordance with the laws and regulations of the exporting Party;
- (b) the exporter knows and understands the rules of origin as set out in this Chapter;
- (c) the exporter has a satisfactory level of experience in export in accordance with the laws and regulations of the exporting Party;
- (d) the exporter has a record of good compliance, measured by risk management of the competent authority of the exporting Party;
- (e) the exporter, in the case of a trader, is able to obtain a declaration by the producer confirming the originating status of the good for which the Origin Declaration is completed by an approved exporter and the readiness of the producer to cooperate in verification in accordance with Article 3.25 and meet all requirements of this Chapter; and
- (f) the exporter has a well-maintained bookkeeping and record-keeping system, in accordance with the laws and regulations of the exporting Party.

2. The competent authority of an exporting Party shall:

- (a) grant the approved exporter authorisation in writing or electronically;
- (b) provide the approved exporter with an authorisation code which must be included in the Origin Declaration; and
- (c) provide the other Party with information⁶ on its approved exporters through a secured website or any electronic means in relation to the authorisation granted.

3. Notwithstanding paragraph 2(c), a Party shall not be required to provide the information referred to in that paragraph to the other Party if it has

⁶ The information includes the legal name and address of the exporter, the approved exporter authorisation code, the authorisation date and, if applicable, the expiry date of its approved exporter authorisation, and a list of goods subject to the authorisation, at least at the HS Chapter level.

established its own secured website, containing the above information, that is accessible to the other Party.

4. An approved exporter shall have the following obligations to:
 - (a) allow the competent authority of an exporting Party access to records and premises for purposes of monitoring the use of authorisation, in accordance with Article 3.24;
 - (b) complete Origin Declaration only for goods for which the approved exporter has been allowed to do so by the competent authority of an exporting Party and for which it has all appropriate documents proving the originating status of the goods concerned at the time of completing the declaration;
 - (c) take full responsibility for all Origin Declaration completed, including any misuse; and
 - (d) promptly inform the competent authority of an exporting Party of any changes related to the information referred to in subparagraph (b).

5. The competent authority of the exporting Party shall monitor the use of the authorisation, including verification of the Origin Declaration by an approved exporter, and withdraw the authorisation where the conditions referred to in paragraph 1 are not met.

Article 3.20: Claims for Preferential Tariff Treatment

1. Unless otherwise provided in this Chapter, each Party shall require an importer in its territory that claims preferential tariff treatment at the time of importation to:

- (a) make a written statement in the customs declaration that the good qualifies as an originating good;
- (b) have a valid Proof of Origin in its possession at the time the declaration referred to in subparagraph (a) is made; and
- (c) provide the Proof of Origin to the importing Party if required by the Party.

2. Where an importer does not comply with any requirements under this Chapter, preferential tariff treatment shall be denied to the goods imported from the territory of the exporting Party.

3. The customs authority of the importing Party may require, where appropriate, the importer to submit supporting evidence that a good qualifies as an originating good of the exporting Party, in line with the requirements of this Chapter.

Article 3.21: Post-Importation Claims for Preferential Tariff Treatment

1. Each Party shall provide that, where a good was originating when it was imported into its territory, but the importer did not gain preferential tariff treatment at the time of importation, that importer may, no later than one year after the date of importation, make a claim for preferential tariff treatment and apply for a refund of any excess duties paid as a result of the good not having been accorded preferential tariff treatment, on presentation to the importing Party of:

- (a) a Proof of Origin; and
- (b) any other documentation as the importing Party may require.

2. Notwithstanding paragraph 1, each Party may require, in accordance with its laws and regulations, that the importer indicate to the customs authority of the importing Party its intention to claim preferential tariff treatment at the time of importation.

Article 3.22: Waiver of Proof of Origin

A Proof of Origin shall not be required for:

- (a) a good originating in the territory of a Party which does not exceed US \$200 FOB; or
- (b) a good sent by post from the territory of a Party which does not exceed US \$200 FOB,

provided that the importation does not form part of one or more importations that may reasonably be considered to have been undertaken or arranged for purposes of avoiding the submission of a Proof of Origin.

Article 3.23: Discrepancies and Formal Errors

1. Where the origin of a good is not in doubt, the discovery of minor discrepancies, between the statements made in a Proof of Origin and those made

in the documents submitted to the customs authority of the importing Party for purposes of carrying out the formalities for importing the good shall not *ipso facto* invalidate the Proof of Origin, if it does in fact correspond to the good submitted.

2. For multiple items declared under the same Proof of Origin, a problem encountered with one of the items listed shall not affect or delay the granting of preferential tariff treatment and customs clearance of the remaining items listed in that Proof of Origin.

Article 3.24: Record Keeping Requirements

1. For purposes of the verification process pursuant to Article 3.25, the exporter or the producer that completes and signs a Proof of Origin shall keep its supporting records for not less than three years from the date on which the Proof of Origin is made out in accordance with the laws and regulations of the exporting Party.

2. The importer shall keep records relevant to the importation in accordance with the laws and regulations of the importing Party.

3. An importer, an exporter or a producer may choose to keep the records referred to in paragraphs 1 and 2, in any medium that allows for prompt retrieval, including a digital, electronic, optical, magnetic or written form.

Article 3.25: Verification⁷

1. For purposes of determining whether a good imported into a Party from the other Party qualifies as an originating good under this Chapter, the competent authority of the importing Party may conduct a verification process by means of:

- (a) a written request for additional information from the importer;
- (b) a written request for additional information from the exporter or the producer that makes out an Origin Declaration in accordance with Article 3.17.1(b);
- (c) a written request that the competent authority of the exporting Party assist in verifying the origin of the good;

⁷ For purposes of this Article, a Party may designate one of its contact points designated pursuant to Article 3.30 as a single Contact Point for the verification of its exported goods with a view to facilitating the verification.

- (d) a verification visit to the premises of the exporter or the producer in the exporting Party to observe the facilities and the production processes of the good and to review the records referring to origin, including accounting files;⁸ or
- (e) any other procedures to which the Parties may agree.

2. The importing Party shall for purposes of:

- (a) paragraph 1(b), send a written request with a copy of the Proof of Origin and the reasons for the request to the exporter or the producer of the good;
- (b) paragraph 1(c), send a written request with a copy of the Proof of Origin and the reasons for the request to competent authority of the exporting Party; and
- (c) paragraph 1(d), request a written consent from the exporter or the producer whose premises are to be visited and the competent authority of the exporting Party, and state the proposed date and location for the visit and its specific purpose.

3. On request of the importing Party, a verification visit to the premises of the exporter or the producer may be conducted with the consent and assistance of the competent authority of the exporting Party, according to the procedures agreed upon between the importing Party and exporting Party.

4. As for the verification process of paragraphs 1(a) through 1(d), the importing Party shall:

- (a) allow the importer, the exporter, the producer or the competent authority of the exporting Party between 30 and 90 days to respond from the date of receipt of the written request under paragraphs 1(a) through 1(c);
- (b) allow the exporter, the producer or the competent authority to consent to or refuse the request within 30 days from the date of its receipt of the written request for a verification visit under paragraph 1(d); and

⁸ A verification visit under this subparagraph shall only be undertaken after a verification process in accordance with subparagraph (c) has been conducted.

- (c) endeavour to make a determination on the verification case within 90 and 180 days from the date of receiving the necessary information.

5. For purposes of paragraph 1, the importing Party shall provide a written notification of the verification result with reasons to the importer, the exporter, or the producer of the good, or the competent authority of the exporting Party that received the verification request.

6. The competent authority of the importing Party may suspend the application of preferential tariff treatment while waiting for the result of verification. The importing Party shall permit the release of the good, but may require that such release be subject to lodgement of a security in accordance with its laws and regulations.

Article 3.26: Confidentiality

1. For purposes of this Chapter, each Party shall maintain, in accordance with its respective laws and regulations, the confidentiality of classified business information collected in the process of verification pursuant to Article 3.25 and shall protect that information from disclosure that could prejudice the competitive position of the person who provided the information.

2. Subject to the laws and regulations, and agreement of the Parties, classified information may only be disclosed by the authorities of one Party to another, for the administration and enforcement of origin determination.

Article 3.27: Denial of Preferential Tariff Treatment

1. Unless otherwise provided in this Chapter, the importing Party may deny a claim for preferential tariff treatment or recover unpaid duties in accordance with its laws and regulations, where the good does not meet the requirements of this Chapter, or where the relevant requirements of this Chapter are not fulfilled.

2. The customs authority of the importing Party may determine that a good does not qualify as an originating good and may deny preferential tariff treatment where:

- (a) the customs authority of the importing Party has not received sufficient information to determine that the good is originating;

- (b) the exporter, the producer, or the customs authority of the exporting Party fails to respond to a written request in accordance with Article 3.25; or
- (c) the request for a verification visit in accordance with Article 3.25 is refused.

3. If the customs authority of the importing Party denies a claim for preferential tariff treatment, it shall provide the decision to the importer that includes the reasons for the decision.

Article 3.28: Third Party Invoices

The importing Party shall not deny a claim for preferential tariff treatment for the sole reason that an invoice was not issued by the exporter or the producer of a good provided that the good meets the requirements in this Chapter.

Article 3.29: Transitional Provisions for Goods in Transit and Storage

A Party shall grant preferential tariff treatment to an originating good that, on the date of entry into force of this Agreement:

- (a) was being transported to that Party in accordance with Article 3.16; or
- (b) had not been imported into that Party,

if a valid claim under Article 3.20 for preferential tariff treatment is made within 180 days of the date of entry into force of this Agreement.

Article 3.30: Contact Points

Each Party shall, within 30 days of the date of entry into force of this Agreement, designate one or more contact points for the implementation of this Chapter and notify the other Party of the contact details of that Contact Point or those Contact Points. Each Party shall promptly notify the other Party of any change to those contact details.

Annex 3-A Product Specific Rules

Headnotes

1. Pursuant to Article 3.2, this Annex sets out the conditions required for a good to be treated as an originating good.
2. For greater certainty, the origin criteria of “wholly obtained or produced in a Party” and “produced in a Party exclusively from originating materials from one or both of the Parties”, as provided in Articles 3.2(a) and 3.2(b), apply to all tariff lines.
3. For purposes of interpreting the Product Specific Rules set out in this Annex:
 - (a) “section” means a section of the Harmonized System;
 - (b) “chapter” means the first two digits of the tariff classification number under the Harmonized System;
 - (c) “heading” means the first four digits of the tariff classification number under the Harmonized System; and
 - (d) “subheading” means the first six digits of the tariff classification number under the Harmonized System.
4. Where a good is subject to alternative Product Specific Rules, the rule will be considered to be met if the good satisfies one of the alternative Product Specific Rules.
5. A requirement of a change in tariff classification (hereinafter referred to as “CTC”) applies only to non-originating materials.
6. Where the CTC rule expressly excludes a change from other tariff classifications, the exclusion applies only to non-originating materials.
7. Where, in some cases, the entry in column 1 is preceded by an ‘ex’, this signifies that the rules in column 2 apply only to the part of that chapter or heading in column 1.
8. For purposes of this Annex:
 - (a) “RVC” means regional value content as per Article 3.5;

- (b) “CC” means that all non-originating materials used in the production of the good have undergone a CTC at the two-digit level of the Harmonized System;
- (c) “CTH” means that all non-originating materials used in the production of the good have undergone a CTC at the four-digit level of the Harmonized System;
- (d) “CTSH” means that all non-originating materials used in the production of the good have undergone a CTC at the six-digit level of the Harmonized System;
- (e) “WO” means wholly obtained or produced in a Party as provided in Article 3.3. For greater certainty, where the rule for a good is WO, the good can still meet the requirements to be treated as an originating good by being produced in a Party exclusively from originating materials from one or both of the Parties in accordance with Article 3.2(b); and
- (f) “CR” means the chemical reaction rule. Any good that is a product of a chemical reaction shall be considered to be an originating good if the chemical reaction occurred in a Party. A “chemical reaction” is a process, including a biochemical process, which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule. The following is not considered to be chemical reactions for purposes of this definition:
 - (i) dissolving in water or other solvents;
 - (ii) the elimination of solvents including solvent water; or
 - (iii) the addition or elimination of water of crystallisation.

9. Where a Product Specific Rule provides a choice of rules from an RVC-based rule of origin, a CTC-based rule of origin, a specific manufacturing or processing operation, or a combination of any of these, each Party shall permit the exporter of a good to decide which rule to use in determining whether the good qualifies as an originating good.

10. This Annex is based on the 2022 Edition of the Harmonized System, which entered into force on 1 January 2022 (hereinafter referred to as “HS 2022”).

HS 2022	Product Specific Rules
Chapter 1	WO
Chapter 2	CC except from Chapter 1
ex Chapter 3	CC
03.01	WO
0304.41 – 0304.46	CC or RVC40
0304.47 – 0304.49	CTH
0304.53	CC or RVC40
0304.71 – 0304.73	CC or RVC40
0304.74	CTH
0304.75 – 0304.89	CC or RVC40
0305.20	CC or RVC40
0305.32	CC or RVC40
0305.41 – 0305.43	CC or RVC40
0305.51 – 0305.59	CC or RVC40
0305.61	CTH
0305.62	CC or RVC40
0305.63	CTH
0305.64 – 0305.79	CC or RVC40
0309.10	CTH
Chapter 4	WO
Chapter 5	WO
Chapter 6	CC or RVC 35
ex Chapter 7	WO
07.10	CC
07.11	CC
07.12	CC
07.13	CC
07.14	CC
ex Chapter 8	CC
0801.32	CC or RVC35
0802.12	CC or RVC35
0802.22	CC or RVC35
0802.32	CC or RVC35
0802.42	CC or RVC35
0802.52	CC or RVC35
0802.62	CC or RVC35
0813.50	CC or RVC35
08.14	CC or RVC35
ex Chapter 9	WO
0901.12 – 0901.90	RVC35
0904.12	CC
0906.20	CC
0910.91	CC

HS 2022	Product Specific Rules
0910.99	CC or RVC35
Chapter 10	WO
ex Chapter 11	CC
11.01	WO
1105.20	WO
1107.20	WO
11.09	WO
ex Chapter 12	WO
12.08	CTH
12.09	CC
ex Chapter 13	CC
1302.19	CC except from subheading 1211.20
Chapter 14	WO
ex Chapter 15	CC or RVC35
15.04	CTH or RVC35
1511.10	WO
1513.21	WO
15.16 – 15.17	CTH or RVC35
15.20 – 15.22	CTH or RVC35
ex Chapter 16	CC or RVC35
1602.32	CC
16.03 – 16.05	CC or RVC40
Chapter 17	CTH or RVC35
ex Chapter 18	CTH or RVC35
18.01 – 18.02	CC
18.03	CTH
ex Chapter 19	CTH or RVC35
19.01 – 19.02	CC or RVC35
ex Chapter 20	CC or RVC35
2008.99	CC except from subheading 1212.21 or RVC35
ex Chapter 21	CTH or RVC35
21.03	CTSH or RVC35
ex Chapter 22	CTH or RVC35
22.03	CC or RVC35
2204.10	CTSH
2204.21	CTSH except from subheading 2204.22 or 2204.29
2204.22	CTSH except from subheading 2204.21 or 2204.29
2204.29	CTSH except from subheading 2204.21 or 2204.22
2204.30	CC
22.05 – 22.06	CTH
22.07	CC
ex Chapter 23	CTH or RVC35
2301.20	CC or RVC35

HS 2022	Product Specific Rules
23.02	CC or RVC35
2303.20	CC or RVC35
23.08	CC or RVC35
ex Chapter 24	CTH or RVC35
24.01	WO
2402.20	CTH
ex Chapter 25	CTH
25.01 – 25.02	CC
25.03	CTH or RVC35
25.04	CC
25.06	CC
Chapter 26	CTH
ex Chapter 27	CTH or RVC35
2710.12 – 2710.19	CTSH or RVC35
2710.91 – 2710.99	CTSH or RVC35
ex Chapter 28	CTH or RVC35
2801.20 – 2801.30	CTSH or RVC35
2806.20	CTSH or RVC35
28.11	CTSH or RVC35
2815.11	CTSH except from subheading 2815.12 or RVC35
2815.12	CTSH except from subheading 2815.11 or RVC40
2815.20	CTSH or RVC35
28.18	CTSH or RVC35
28.21	CTSH or RVC35
2826.12	CTSH or RVC35
2826.30	CTSH or RVC35
2827.31 – 2827.32	CTSH or RVC35
2827.39	CTSH or RVC35
2827.59 – 2827.60	CTSH or RVC35
2833.19	CTSH or RVC35
2834.10 – 2834.21	CTSH or RVC35
2835.10	CTSH or RVC35
2835.26	CTSH or RVC35
2835.39	CTSH or RVC35
2836.30	CTSH or RVC35
2836.91	CTSH or RVC35
2836.99	CTSH or RVC35
2839.19	CTSH or RVC35
2840.20	CTSH or RVC35
2842.90	CTSH or RVC35
2849.10 – 2849.20	CTSH or RVC35
ex Chapter 29	CTH or RVC35
29.01 – 29.02	CTH, RVC35 or CR

HS 2022	Product Specific Rules
2903.15	CTSH or RVC35
2903.21	CTSH or RVC35
2903.41 – 2903.61	CTSH or RVC35
2903.69	CTSH or RVC35
2903.77	CTSH or RVC35
2903.79	CTSH or RVC35
2905.12	CTSH or RVC35
2905.32	CTSH or RVC35
2905.45	CTSH or RVC35
29.07	CTH, RVC35 or CR
29.09	CTH, RVC35 or CR
2910.50 – 2910.90	CTSH or RVC35
29.14	CTH, RVC35 or CR
2915.21	CTSH or RVC35
2915.31 – 2915.32	CTSH or RVC35
2915.39	CTSH or RVC35
2915.70 – 2915.90	CTSH or RVC35
2916.15	CTH, RVC35 or CR
2916.19 – 2916.20	CTSH or RVC35
2916.32	CTSH or RVC35
2916.39	CTSH or RVC35
2917.12	CTSH or RVC35
2917.36	CTSH or RVC35
2918.12 – 2918.13	CTSH or RVC35
2918.99	CTSH or RVC35
29.20	CTH, RVC35 or CR
2921.29	CTSH or RVC35
2921.46	CTSH or RVC35
2921.51	CTSH or RVC35
2922.49	CTSH or RVC35
29.29	CTSH or RVC35
2932.96 – 2932.99	CTSH or RVC35
2933.19	CTSH or RVC35
2933.34 – 2933.39	CTSH or RVC35
2933.59	CTSH or RVC35
2933.69	CTSH or RVC35
2933.92 – 2933.99	CTSH or RVC35
2934.20	CTSH or RVC35
ex Chapter 30	CTH or RVC35
3006.92	WO
ex Chapter 31	CTH or RVC35
31.05	CTH except from headings 31.02 to 31.04 or RVC40
ex Chapter 32	CTH or RVC35

HS 2022	Product Specific Rules
3202.90	CTSH or RVC35
32.04	CTSH or RVC35
3206.11 – 3206.19	CTH except from headings 31.02 to 31.04 or RVC40
3206.20 – 3206.49	CTSH or RVC35
Chapter 33	CTH or RVC35
ex Chapter 34	CTH or RVC35
3402.31 – 3402.41	CTSH or RVC35
3402.49	CTSH or RVC35
ex Chapter 35	CTH or RVC35
35.01 – 35.02	CTSH or RVC35
3505.20	CTSH or RVC35
Chapter 36	CTH or RVC35
Chapter 37	CTH or RVC35
ex Chapter 38	CTH or RVC35
38.08	CTSH or RVC35
38.11	CTH, RVC35 or CR
38.24	CTH, RVC35 or CR
38.25	WO
38.27	CTH, RVC35 or CR
ex Chapter 39	CTH or RVC35
39.15	CTH
ex Chapter 40	CTH or RVC35
40.01	CTSH or RVC35
40.09	CTSH or RVC35
40.12	CTSH or RVC35
ex Chapter 41	CTH or RVC35
41.01 – 41.03	CC or RVC35
Chapter 42	CTH or RVC35
ex Chapter 43	CTH or RVC35
43.01	CC or RVC35
ex Chapter 44	CTH or RVC35
44.10 – 44.12	CTH or RVC40
Chapter 45	CTH or RVC35
ex Chapter 46	CTH or RVC35
4601.29	CTH except from heading 14.01 or RVC35
4601.94	CTH except from heading 14.01 or RVC35
4602.19	CTH except from heading 14.01 or RVC35
ex Chapter 47	CTH or RVC35
47.07	WO
ex Chapter 48	CTH or RVC35
48.01 – 48.02	CC or RVC35
4814.19 – 4814.59	CC or RVC35
48.05	CC or RVC35

HS 2022	Product Specific Rules
4808.40	CTH except from heading 48.04 or RVC35
48.16	CTH except from heading 48.09 or RVC35
Chapter 49	CTH or RVC35
ex Chapter 50	CC
50.04 – 50.05	CTH
50.06	CTH except from heading 50.04 or 50.05
50.07	CTH
ex Chapter 51	CTH
51.01 – 51.03	CC
51.05	CC
51.09	CTH except from headings 51.06 to 51.08
ex Chapter 52	CTH
52.01 – 52.03	CC
52.07	CTH except from heading 52.05 or 52.06
ex Chapter 53	CTH
53.01 – 53.05	CC
ex Chapter 54	CC
54.07 – 54.08	CTH
ex Chapter 55	CTH
55.01 – 55.07	CC
55.11	CTH except from heading 55.09 or 55.10
5513.11 – 5513.19	CTH except from headings 55.09 to 55.11
5513.31 – 5513.39	CTH except from headings 55.09 to 55.11
5514.11 – 5514.19	CTH except from headings 55.09 to 55.11
5514.30	CTH except from headings 55.09 to 55.11
5516.11	CTH except from headings 55.09 to 55.11
5516.13	CTH except from headings 55.09 to 55.11
5516.21	CTH except from headings 55.09 to 55.11
5516.23	CTH except from headings 55.09 to 55.11
5516.31	CTH except from headings 55.09 to 55.11
5516.33	CTH except from headings 55.09 to 55.11
5516.41	CTH except from headings 55.09 to 55.11
5516.43	CTH except from headings 55.09 to 55.11
5516.91	CTH except from headings 55.09 to 55.11
5516.93	CTH except from headings 55.09 to 55.11
ex Chapter 56	CC
5608.19 – 5608.90	CTH
56.09	CTH
Chapter 57	CC
Chapter 58	CC
Chapter 59	CC
Chapter 60	CC
Chapter 61	CC

HS 2022	Product Specific Rules
Chapter 62	CC
ex Chapter 63	CC
6306.22 – 6306.30	CC or RVC40
6307.20	CC or RVC40
ex Chapter 64	CTH or RVC35
64.06	CC or RVC35
Chapter 65	CTH or RVC35
Chapter 66	CTH or RVC35
Chapter 67	CTH or RVC35
Chapter 68	CTH or RVC35
Chapter 69	CTH or RVC35
ex Chapter 70	CTH or RVC35
70.08	CTH except from headings 70.03 to 70.09 or RVC35
ex Chapter 71	CTH or RVC35
71.01	CC
7102.10 – 7102.21	CC or RVC35
7102.29	CTSH or RVC35
7102.31	CC or RVC35
7102.39	CTSH or RVC35
7103.10	CC or RVC35
7103.91 – 7103.99	CTSH or RVC35
7104.91 – 7104.99	CTSH or RVC35
71.06 – 71.07	CC or RVC35
7108.11 – 7108.12	CC or RVC35
7108.20	CC or RVC35
71.09 – 71.11	CC or RVC35
71.12	WO
ex Chapter 72	CTH or RVC40
72.04	CTH
72.07	CTH except from heading 72.06 or RVC40
72.08	CTH except from heading 72.07 or RVC40
72.09	CTH except from heading 72.08 or RVC40
72.10	CTH except from heading 72.08 or 72.09 or RVC40
72.11	CTH except from heading 72.08 or 72.09 or RVC40
72.12	CTH except from headings 72.08 to 72.11 or RVC40
72.14	CTH except from heading 72.13 or RVC40
72.15	CTH except from heading 72.13 or 72.14 or RVC40
72.16	CTH except from headings 72.08 to 72.15 or RVC40
7219.31 – 7219.90	CTSH or RVC40
72.20	CTH except from heading 72.19 or RVC40
72.26	CTH except from heading 72.25 or RVC40
72.28	CTH except from heading 72.27 or RVC40
Chapter 73	CTH or RVC40

HS 2022	Product Specific Rules
ex Chapter 74	CTH or RVC40
74.04	CTH
ex Chapter 75	CTH or RVC40
75.03	CTH
ex Chapter 76	CTH or RVC40
76.02	CTH
76.05	CTH except from heading 76.04 or RVC40
ex Chapter 78	CTH or RVC40
78.02	CTH
ex Chapter 79	CTH or RVC40
79.02	CTH
ex Chapter 80	CTH or RVC40
80.02	CTH
ex Chapter 81	CTSH or RVC40
8101.97	CTSH
8102.97	CTSH
8103.30	CTSH
8103.91	CTSH except from subheading 8103.99 or RVC40
8104.20	CTSH
8105.30	CTSH
81.06	CTH or RVC40
8108.30	CTSH
8109.31 – 8109.39	CTSH
8110.20	CTSH
81.11	CC or RVC40
8112.13	CTSH
8112.22	CTSH
8112.31	CTH or RVC40
8112.41	CTH or RVC40
8112.52	CTSH
8112.61	CTSH
8112.92	CTH or RVC40
81.13	CC or RVC40
Chapter 82	CC or RVC40
ex Chapter 83	CTH or RVC40
8301.10 – 8301.50	CTSH or RVC40
ex Chapter 84	CTSH or RVC40
8401.40	CTH or RVC40
8402.90	CTH or RVC40
8403.90	CTH or RVC40
8404.90	CTH or RVC40
8405.90	CTH or RVC40
8406.90	CTH or RVC40

HS 2022	Product Specific Rules
84.07	CTH or RVC40
8408.10	CTH or RVC40
8408.20	CC or RVC40
8408.90	CTH or RVC40
84.09	CTH or RVC40
8410.90	CTH or RVC40
8411.91 – 8411.99	CTH or RVC40
8412.90	CTH or RVC40
8413.91 – 8413.92	CTH or RVC40
8414.90	CTH or RVC40
8415.90	CTH or RVC40
8416.90	CTH or RVC40
8417.90	CTH or RVC40
8418.91 – 8418.99	CTH or RVC40
8419.90	CTH or RVC40
8420.91 – 8420.99	CTH or RVC40
8421.91 – 8421.99	CTH or RVC40
8422.90	CTH or RVC40
8423.90	CTH or RVC40
8424.90	CTH or RVC40
84.25 – 84.31	CTH or RVC40
8432.90	CTH or RVC40
8433.90	CTH or RVC40
8434.90	CTH or RVC40
8435.90	CTH or RVC40
8436.91 – 8436.99	CTH or RVC40
8437.90	CTH or RVC40
8438.90	CTH or RVC40
8439.91 – 8439.99	CTH or RVC40
8440.90	CTH or RVC40
8441.90	CTH or RVC40
8442.40 – 8442.50	CTH or RVC40
8443.91 – 8443.99	CTH or RVC40
84.44 – 84.47	CTH or RVC40
8448.20 – 8448.59	CTH or RVC40
84.49	CTH or RVC40
8450.90	CTH or RVC40
8451.90	CTH or RVC40
8452.90	CTH or RVC40
8453.90	CTH or RVC40
8454.90	CTH or RVC40
8455.90	CTH or RVC40
84.56 – 84.66	CTH or RVC40

HS 2022	Product Specific Rules
8467.91 – 8467.99	CTH or RVC40
8468.90	CTH or RVC40
84.70 – 84.73	CTH or RVC40
8474.90	CTH or RVC40
8475.90	CTH or RVC40
8476.90	CTH or RVC40
8477.90	CTH or RVC40
8478.90	CTH or RVC40
8479.90	CTH or RVC40
84.80	CTH or RVC40
8481.90	CTH or RVC40
8482.91 – 8482.99	CTH or RVC40
8483.90	CTH or RVC40
84.84	CTH or RVC40
8485.90	CTH or RVC40
8486.90	CTH or RVC40
84.87	CTH or RVC40
ex Chapter 85	CTSH or RVC35
85.01 – 85.03	CTH or RVC35
8504.21	CTSH except from subheading 8504.22 or 8504.23 or RVC35
8504.22	CTSH except from subheading 8504.21 or 8504.23 or RVC35
8504.23	CTSH except from subheading 8504.21 or 8504.22 or RVC35
8504.31	CTSH except from subheadings 8504.32 to 8504.34 or RVC35
8504.32	CTSH except from subheading 8504.31, 8504.33 or 8504.34 or RVC35
8504.33	CTSH except from subheading 8504.31, 8504.32 or 8504.34 or RVC35
8504.34	CTSH except from subheadings 8504.31 to 8504.33 or RVC35
8504.90	CTH or RVC35
8505.90	CTH or RVC35
8506.90	CTH or RVC35
8507.10	CTH or RVC35
8507.90	CTH or RVC35
8508.70	CTH or RVC35
8509.90	CTH or RVC35
8510.90	CTH or RVC35
8511.90	CTH or RVC35
8512.90	CTH or RVC35

HS 2022	Product Specific Rules
8513.90	CTH or RVC35
8514.90	CTH or RVC35
8515.90	CTH or RVC35
8516.90	CTH or RVC35
8517.71 – 8517.79	CTH or RVC35
8518.90	CTH or RVC35
85.19 – 85.29	CTH or RVC35
8530.90	CTH or RVC35
8531.90	CTH or RVC35
8532.90	CTH or RVC35
8533.90	CTH or RVC35
85.34 – 85.38	CTH or RVC35
8539.51	CTH or RVC35
8539.90	CTH or RVC35
8540.91 – 8540.99	CTH or RVC35
8541.42	CTSH except from subheading 8541.43 or RVC35
8541.43	CTSH except from subheading 8541.42 or RVC35
8541.90	CTH or RVC35
8542.90	CTH or RVC35
8543.40	CTSH except from subheading 8539.52 or RVC35
8543.70	CTSH except from subheading 8539.52 or RVC35
8543.90	CTH or RVC35
85.44 – 85.48	CTH or RVC35
85.49	WO
Chapter 86	CTH or RVC35
ex Chapter 87	CTH or RVC40
87.03	RVC40
Chapter 88	CTH or RVC35
Chapter 89	CTH or RVC35
ex Chapter 90	CTSH or RVC35
90.01 – 90.02	CTH or RVC35
9003.90	CTH or RVC35
90.04	CTH or RVC35
9005.90	CTH or RVC35
9006.91 – 9006.99	CTH or RVC35
9007.91 – 9007.92	CTH or RVC35
9008.90	CTH or RVC35
9010.90	CTH or RVC35
9011.90	CTH or RVC35
9012.90	CTH or RVC35
9013.90	CTH or RVC35
9014.90	CTH or RVC35
9015.90	CTH or RVC35

HS 2022	Product Specific Rules
9016.00	CTH or RVC35
9017.90	CTH or RVC35
90.18 – 90.21	CTH or RVC35
9022.90	CTH or RVC35
90.23	CTH or RVC35
9024.90	CTH or RVC35
9025.90	CTH or RVC35
9026.90	CTH or RVC35
9027.90	CTH or RVC35
9028.90	CTH or RVC35
9029.90	CTH or RVC35
9030.90	CTH or RVC35
9031.90	CTH or RVC35
9032.89 – 9032.90	CTH or RVC35
90.33	CTH or RVC35
ex Chapter 91	CTH or RVC35
9111.10 – 9111.80	CTSH or RVC35
Chapter 92	CTH or RVC35
Chapter 93	CTH or RVC35
ex Chapter 94	CTSH or RVC35
9406.10	CTH or RVC35
Chapter 95	CTH or RVC35
ex Chapter 96	CTH or RVC35
9613.10 – 9613.80	CTSH or RVC35
Chapter 97	CTH or RVC35

Annex 3-B Treatment for Certain Goods

1. Origin Conferring
 - (a) “certain goods” referred to in Article 3.15 as reflected in the lists referred to in paragraph 6 and any subsequent amendments, which are reimported as the goods that do not undergo any process beyond operations within the territory of the reimporting Party for export as set out in Article 3.6 shall be deemed to be originating in the territory of the Party, provided that the total value of non-originating input⁹ does not exceed 40 percent of the FOB price of the final good for which originating status is claimed.
 - (b) except as otherwise provided for in this Annex, relevant rules in this Chapter shall be applied *mutatis mutandis* to the origin conferring of the goods to which Article 3.15 applies.
2. Special Safeguard
 - (a) when a Party determines that there is an increase of importation of a good covered by Article 3.15 into the territory of that Party in such quantities and under such conditions as to cause or threaten to cause, serious injury to its domestic industry, that Party shall be free to suspend the application of Article 3.15 to such a good for such a period of time as it may consider necessary to prevent or remedy such injury or threat to cause injury to the domestic industry of the Party.
 - (b) a Party that intends to suspend the application of Article 3.15 pursuant to subparagraph (a) shall notify the other Party two months in advance of the start of the suspension period and afford the other Party an opportunity to exchange views with it in respect of the proposed suspension.
 - (c) the period mentioned in subparagraph (a) may be extended provided that the Party that has taken the action of suspension has determined that the suspension continues to be necessary to prevent or remedy injury.

⁹ "Total value of non-originating input" shall mean the value of any non-originating materials added inside as well as any materials added and all other cost accumulated outside Korea and Malaysia, including transport costs.

- (d) in critical circumstances, where delay would cause damage which would be difficult to repair, the suspension of the application of Article 3.15 under subparagraph (a) may be taken provisionally without two-month advance notification to the other Party, on the condition that the notification shall be made before such suspension takes effect.
- (e) when a Party has made a determination mentioned in subparagraph (a) and the requirements set out in subparagraph (b) are fulfilled, the Party concerned may suspend the application of Article 3.15 unilaterally and unconditionally, including as follows:
 - (i) there shall be no obligation to prove that there is serious injury;
 - (ii) there shall be no obligation for advance consultation;
 - (iii) there shall be no limit to the duration or frequency of suspension; and
 - (iv) there shall be no obligation for compensation.

3. Annual Review

- (a) the Parties shall review the implementation and operation of Article 3.15 in the Sub-Committee on Goods. For this purpose:
 - (i) the exporting Party shall provide the Sub-Committee on Goods with a brief factual report on the operation of Article 3.15, including export statistics of each good listed in paragraph 6 to the importing Party during the previous one year period; and
 - (ii) the importing Party shall provide on request of the Sub-Committee on Goods information pertaining to the denial of claims for preferential tariff treatment, if any, and reasons for the denial.
- (b) the Sub-Committee on Goods may request such additional information as it may consider necessary for its review of the implementation and operation of Article 3.15 from the exporting Party.

- (c) taking into account the result of the review provided for in subparagraph (a), the Sub-Committee on Goods may make recommendations as it may consider necessary.

4. Relations to other Provisions of this Agreement

Nothing in this Annex shall affect the rights and obligations of the Parties under this Agreement, including Article 7.2 (Application of Transitional Safeguard Measures).

5. Dispute Settlement

Chapter 17 (Dispute Settlement) shall not apply to any matter arising under this Annex.

6. List of Goods

The following shall be the list of goods covered by this Annex. A Party may request amendment of the list referred to in this paragraph, which the other Party shall consider in good faith. Such amendment shall be adopted when agreed by both Parties.

No	HS 2002	Description of Goods
1	2923.90	- Other
2	3923.30	- Carboys, bottles, flasks and similar articles
3	3926.90	- Other
4	4016.99	-- Other
5	4202.11	-- With outer surface of leather, of composition leather or patent leather
6	4202.12	-- With outer surface of plastics or of textile materials
7	4202.21	-- With outer surface of leather, of composition leather or of patent leather
8	4202.22	-- With outer surface of plastic sheeting or of textile materials
9	4202.29	-- Other
10	4202.92	-- With outer surface of plastic sheeting or of textile materials
11	4203.21	-- Specially designed for use in sports
12	5810.92	-- Of man-made fibres
13	6108.99	-- Of other textile materials
14	6115.99	-- Of other textile materials
15	6117.10	- Shawls, scarves, mufflers, mantillas, veils and the like
16	6117.20	- Ties, bow ties and cravats

17	6201.13	-- Of man-made fibres
18	6201.92	-- Of cotton
19	6201.93	-- Of man-made fibres
20	6202.12	-- Of cotton
21	6202.13	-- Of man-made fibres
22	6202.92	-- Of cotton
23	6202.93	-- Of man-made fibres
24	6203.19	-- Of other textile materials
25	6204.69	-- Of other textile materials
26	6205.90	- Of other textile materials
27	6211.42	-- Of cotton
28	6211.43	-- Of man-made fibres
29	6212.90	- Other
30	6213.10	- Of silk or silk waste
31	6213.20	- Of cotton
32	6213.90	- Of other textile materials
33	6214.10	- Of silk or silk waste
34	6214.20	- Of wool or fine animal hair
35	6214.30	- Of synthetic fibres
36	6214.90	- Of other textile materials
37	6216.00	Gloves, mittens and mitts.
38	6303.92	- Of synthetic fibres
39	6402.19	-- Other
40	6402.20	- Footwear with upper straps or thongs assembled to the sole by means of plugs
41	6402.30	- Other footwear, incorporating a protective metal toe-cap
42	6402.91	-- Covering the ankle
43	6403.19	-- Other
44	6403.20	- Footwear with outer soles of leather and uppers which consist of leather straps across the instep and around the big toe
45	6403.30	- Footwear made on a base or platform of wood, not having an inner sole or a protective metal toe-cap
46	6403.51	-- Covering the ankle
47	6403.59	-- Other
48	6403.91	-- Covering the ankle
49	6404.11	-- Sports footwear, tennis shoes, basketball shoes, gym shoes, training shoes and the like
50	6405.10	- With uppers of leather or composition leather
51	6405.20	- With uppers of textile materials
52	6405.90	- Other
53	6406.99	-- Of other materials
54	7015.10	- Glasses for corrective spectacles
55	7419.99	-- Other

56	8215.91	-- Plated with precious metal
57	8302.30	- Other mountings, fittings and similar articles suitable for motor vehicles
58	8421.21	-- For filtering or purifying water
59	8424.90	- Parts
60	8473.10	- Parts and accessories of the machines of heading 84.69
61	8480.71	-- Injection or compression types
62	8504.90	- Parts
63	8512.20	- Other lighting or visual signalling equipment
64	8512.90	- Parts
65	8517.90	- Parts
66	8529.90	- Other
67	8534.00	Printed circuits
68	8536.30	- Other apparatus for protecting electrical circuits
69	8536.50	- Other switches
70	8539.29	-- Other
71	8539.39	-- Other
72	8540.91	-- Of cathode-ray-tubes
73	8543.89	-- Other
74	8544.41	-- Fitted with connectors
75	8708.99	-- Other
76	8714.99	-- Other
77	9013.80	- Other devices, appliances and instruments
78	9101.11	-- With mechanical display only
79	9101.12	-- With opto-electronic display only
80	9101.19	-- Other
81	9101.21	-- With automatic winding
82	9101.29	-- Other
83	9101.91	-- Electrically operated
84	9102.11	-- With mechanical display only
85	9102.12	-- With opto-electronic display only
86	9102.21	-- With automatic winding
87	9102.91	-- Electrically operated
88	9102.99	-- Other
89	9111.10	- Cases of precious metal or of metal clad with precious metal
90	9111.20	- Cases of base metal, whether or not gold- or silver-plated
91	9111.80	- Other cases
92	9111.90	- Parts
93	9112.90	- Parts
94	9113.10	- Of precious metal or of clad with precious metal
95	9113.20	- Of base metal, whether or not gold- or silver-plated
96	9114.10	- Springs, including hair-springs

97	9114.20	- Jewels
98	9114.30	- Dials
99	9114.40	- Plates and bridges
100	9404.90	- Other

Annex 3-C Minimum Information Requirements for Origin Declaration

1. Exporter's name and address;
2. Producer's name and address, if known;
3. Importer's or consignee's name and address;
4. Description of the goods and the HS Code of the goods (six-digit level);
5. In the case of an approved exporter, authorisation code or identification code of the exporter or the producer;
6. Unique reference number;
7. Origin conferring criterion;
8. Certification by an authorised signatory that the goods specified in the Origin Declaration meet all the relevant requirements of this Chapter; and
9. Quantity of the goods.