

ANNEX 3-D

APPENDIX 1

PROVISIONS RELATED TO THE PRODUCT-SPECIFIC RULES OF ORIGIN FOR CERTAIN VEHICLES AND PARTS OF VEHICLES

1. For the purpose of satisfying the regional value content requirement of the product-specific rule of origin applicable to a good of subheading 8701.10 through 8701.30, or heading 87.02 through 87.05, a material listed in Table A used in the production of that good is originating if:

- (a) it meets the applicable requirements for that material under this Annex; or
- (b) the production undertaken on that material in the territory of one or more of the Parties involves¹ one or more of the operations listed in Table B.

2. For the purpose of satisfying the regional value content requirement of the product-specific rule of origin applicable to a good listed in Table C, a material used in the production of that good is originating if:

- (a) it meets the applicable requirements for that material under this Annex; or
- (b) subject to paragraph 3, the production undertaken on that material in the territory of one or more of the Parties involves one or more of the operations listed in Table B.

3. The value of the materials that are originating under paragraph 2(b) shall be counted as originating content, provided that the value counted as originating content does not exceed the applicable threshold listed in Table C of the value (Build-up Method/ Build-down Method) or net cost (Net Cost Method) of the good.

¹ For greater certainty, one or more of the listed operations must be involved in the production of a material listed in Table A. Performing a listed operation on one or more parts or subsystems that are subsequently used in the production of a material listed in Table A is not sufficient to confer origin on that material.

Table A

HS Classification (HS 2012)	Description
7007.11	Toughened (tempered) safety glass
7007.21	Laminated safety glass
8707.10	Bodies (including cabs), for the motor vehicles of heading 87.03
8707.90	Bodies (including cabs), for the motor vehicles of heading 87.01, 87.02, 87.04 and 87.05
ex 8708.10	Bumpers (not including parts thereof)
ex 8708.29	Body stampings and door assemblies (not including parts thereof)
ex 8708.50	Drive-axles with differential, whether or not provided with other transmission components, and non-driving axles (not including parts thereof)

Table B

Complex assembly	Complex welding	Die or other casting
Extrusion	Forging	Heat treating including glass or metal tempering
Laminating	Machining	Metal forming
Moulding	Stamping including pressing	

Note 1: Complex means an operation that requires specialised skills and the use of machines, apparatus or tools that are especially produced or installed to carry out that operation, regardless of whether such machines, apparatus or tools were produced with the intention of carrying out that operation on a specific good.

Note 2: The operations referred to in Table B do not include the mere assembly of non-originating components classified as a good in accordance with Rule 2(a) of the General Rules for the Interpretation of the Harmonized System.

Table C

HS Classification (HS 2012)	Description	Threshold
8407.33	Spark-ignition reciprocating piston engines of a kind used for the propulsion of vehicles of Chapter 87 : Of a cylinder capacity exceeding	10 per cent

	250 cc but not exceeding 1,000 cc	
8407.34	Spark-ignition reciprocating piston engines of a kind used for the propulsion of vehicles of Chapter 87 : Of a cylinder capacity exceeding 1,000 cc	10 per cent
8408.20	Compression-ignition internal combustion piston engines (diesel or semi-diesel engines) of a kind used for the propulsion of vehicles of Chapter 87	10 per cent
8706.00	Chassis fitted with engines, for the motor vehicles of headings 87.01 to 87.05	10 per cent
8708.10	Bumpers and parts thereof	10 per cent
8708.21	Safety seat belts	10 per cent
8708.29	Other parts and accessories of bodies (including cabs)	5 per cent
8708.30	Brakes and servo-brakes; parts thereof	10 per cent
8708.40	Gear boxes and parts thereof	10 per cent
8708.50	Drive-axles with differential, whether or not provided with other transmission components, and non-driving axles; parts thereof	5 per cent
8708.80	Suspension systems and parts thereof (including shock-absorbers)	10 per cent
8708.94	Steering wheels, steering columns and steering boxes; parts thereof	10 per cent
8708.95	Safety airbags with inflater system; parts thereof	5 per cent
8708.99	Other parts and accessories	5 per cent