

CHAIRMAN



UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, D.C. 20436

October 24, 2001

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Mr. Ambassador:

This responds to your letter of September 27, 2001, requesting the Commission's advice on the probable effect of certain proposed modifications to the rules of origin contained in the North American Free Trade Agreement (NAFTA). Your request also stated that you required this information at the earliest possible date, but not later than October 24, 2001. Section 103 of the NAFTA Implementation Act requires the President to obtain advice from the Commission regarding any proposed modifications to the rules of origin contained in the NAFTA. Most of the proposed modifications are intended to continue existing NAFTA treatment following implementation in 2002 of the scheduled changes in the Harmonized System and their reflection in the HTS, as set forth in the USITC report on investigation No. 1205-5 Final (Publication 3430).

The Commission's advice for each proposed modification, except as noted below, is presented in enclosure 1. Item numbers that are not affected by proposed modifications are identified in enclosure 1 by the following: "Note: No proposed modifications to these items." Enclosure 2 contains a list of the proposed modifications.

The Commission was unable to provide advice for 33 of the proposed modifications because the proposed Mexican tariff schedule for 2002, or a suitable working document, is presently unavailable from USTR or Mexico. Advice for these items is marked "To Be Determined" or "TBD" on enclosure 1 and will be provided in a follow-up letter as soon as necessary working documents are available and the analysis can be completed.

The Commission assessed each proposed modification to determine the probable effect on U.S. trade under the NAFTA, total U.S. trade, and on domestic producers of the affected articles. In making its assessment, the Commission first compared the rules incorporating the proposed modifications with the current rules to ascertain any changes in the application of the NAFTA rules of origin. If such changes were identified, the

Commission then made qualitative and quantitative determinations of the probable effect of the modifications. The methodology used by the Commission in making these assessments is explained in enclosure 3.

The Commission's examination of the proposed modifications determined that most of these changes are expected to have no effect. Only one modification regarding certain photocopier apparatus (item 339) is expected to have an effect, and this is limited to a minor increase in total U.S. exports and in U.S. production of the affected products.

In making its assessment, the Commission also considered comments from the public on the effect of the proposed modifications. Enclosure 4 contains the *Federal Register* notice requesting comments and a list of organizations that were contacted directly. No written submissions regarding the proposed modifications have been received from the public to date. In the course of this review, the Department of Treasury via USTR staff notified Commission staff of various additional technical revisions to the proposed modifications. These 16 revisions have been determined to be non-substantive. The public has been notified of these 16 technical changes via posting on the ITC Internet site (enclosure 5), and interested parties have been invited to submit written statements concerning these technical revisions by October 26, 2001. If the Commission receives any submissions, the follow-up letter providing advice on the remaining 33 proposed modifications will also contain a summary of such submissions and any change in advice that may be necessary to reflect information contained in the submissions.

As requested, a public version of the report will be made available by placing the Commission's response on the ITC Internet site. As with any advice and analysis of this type, it must be noted that the advice presented in this letter should not be construed as indicating how the Commission would find in an investigation conducted under other statutory authority covering the same or similar subject matter.

Sincerely,

A handwritten signature in black ink that reads "Steve Koplan". The signature is written in a cursive, slightly slanted style.

Stephen Koplan

Enclosures: as stated

Enclosure 1
USITC Probable Effects Advice on Proposed
Modifications to the NAFTA Rules of Origin (Phase 2)

Item #(s)	Proposed modifications	
	Probable effects on: ¹	Nature of modification and effects explanation
1-46	Part 1 modifications²	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> These modifications to Annex 401 are necessary because of changes to the HS nomenclature. Each NAFTA country will modify its nomenclature to conform to changes in the HS, which have been agreed to by international negotiation. <i>Effects:</i> There will be no effect on U.S. NAFTA trade as a result of these modifications. All modifications result in the same rules of origin treatment as the current rules of origin.
47	Part 1 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> These modifications to Annexes 401 and 403.1 are necessary because of changes to the HS nomenclature. Each NAFTA country will modify its nomenclature to conform to changes in the HS, which have been agreed to by international negotiation. <i>Effects:</i> There will be no effect on U.S. NAFTA trade as a result of these modifications. All modifications result in the same rules of origin treatment as the current rules of origin.
48-57	Part 1 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> These modifications to Annex 401 are necessary because of changes to the HS nomenclature. Each NAFTA country will modify its nomenclature to conform to changes in the HS, which have been agreed to by international negotiation. <i>Effects:</i> There will be no effect on U.S. NAFTA trade as a result of these modifications. All modifications result in the same rules of origin treatment as the current rules of origin.
58	Part 1 modifications	
	See item #'s 198-202	<i>Note:</i> This modification is more fully provided for in the Part 2 modifications (see item #'s 198-202).
59-151	Part 1 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> These modifications to Annex 401 are necessary because of changes to the HS nomenclature. Each NAFTA country will modify its nomenclature to conform to changes in the HS, which have been agreed to by international negotiation. <i>Effects:</i> There will be no effect on U.S. NAFTA trade as a result of these modifications. All modifications result in the same rules of origin treatment as the current rules of origin.
152	Part 1 modifications	

Note.—Item # refers to items in the list of proposed modifications included in enclosure 2. NTR indicates normal trade relations duty rates (formerly most-favored nation). For the purposes of the NAFTA rules of origin, the term "heading" refers to 4-digit Harmonized System (HS) categories, "subheading" refers to 6-digit categories, and "tariff item" refers to 8-digit categories. See footnotes at end of table.

Enclosure 1–Continued
USITC Probable Effects Advice on Proposed
Modifications to the NAFTA Rules of Origin (Phase 2)

Item #(s)	Proposed modifications	
	Probable effects on: ¹	Nature of modification and effects explanation
	See item # 288	<i>Note:</i> This modification is more fully provided for in the Part 2 modifications (see item # 288).
153-163	Part 1 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> These modifications to Annex 401 are necessary because of changes to the HS nomenclature. Each NAFTA country will modify its nomenclature to conform to changes in the HS, which have been agreed to by international negotiation. <i>Effects:</i> There will be no effect on U.S. NAFTA trade as a result of these modifications. All modifications result in the same rules of origin treatment as the current rules of origin.
164-166	Part 2 modifications³	
	None	<i>Note:</i> No proposed modifications to these items.
167	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> Two tariff items added to Mexico's definition of 1901.90.aa. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because modification only affects U.S. exports to Mexico. These effects are to be determined.
168-176	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
177	Part 2 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> This tariff item no longer necessary because of a previous modification to the NAFTA rules of origin. <i>Effects:</i> There will be no effects because this tariff item was eliminated from the rule in a previous modification. For effects of the previous modification, see "Esters of Glycerol" in Phase 1 report (ftp://ftp.usitc.gov/pub/reports/studies/NAFTAROO.PDF).
178-179	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.

Note.—Item # refers to items in the list of proposed modifications included in enclosure 2. NTR indicates normal trade relations duty rates (formerly most-favored nation). For the purposes of the NAFTA rules of origin, the term "heading" refers to 4-digit Harmonized System (HS) categories, "subheading" refers to 6-digit categories, and "tariff item" refers to 8-digit categories. See footnotes at end of table.

Enclosure 1–Continued
USITC Probable Effects Advice on Proposed
Modifications to the NAFTA Rules of Origin (Phase 2)

Item #(s)	Proposed modifications	
	Probable effects on: ¹	Nature of modification and effects explanation
180	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> New HS category created for these articles, so tariff items changed to match HS change. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because product coverage of proposed tariff items is the same as existing tariff items. Effects on U.S. exports to Mexico to be determined.
181	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
182	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> Two tariff items added to Mexico's definition of 4106.93.aa. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because modification only affects U.S. exports to Mexico. These effects are to be determined.
183	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
184-186	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> New HS category created for these articles, so tariff items changed to match HS change. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because product coverage of proposed tariff items is the same as existing tariff items. Effects on U.S. exports to Mexico to be determined.
187-197	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
198-202	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> New HS categories created for these textile articles, so existing tariff item deleted and 4 proposed tariff items added to match HS change. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because product coverage of proposed tariff items is the same as the existing tariff item. Effects on U.S. exports to Mexico to be determined.

Note.—Item # refers to items in the list of proposed modifications included in enclosure 2. NTR indicates normal trade relations duty rates (formerly most-favored nation). For the purposes of the NAFTA rules of origin, the term "heading" refers to 4-digit Harmonized System (HS) categories, "subheading" refers to 6-digit categories, and "tariff item" refers to 8-digit categories. See footnotes at end of table.

Enclosure 1–Continued
USITC Probable Effects Advice on Proposed
Modifications to the NAFTA Rules of Origin (Phase 2)

Item #(s)	Proposed modifications	
	Probable effects on: ¹	Nature of modification and effects explanation
203-204	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
205	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> One tariff item added to Mexico's definition of 6104.19.aa. <i>Effects:</i> No effect on U.S. NAFTA imports and U.S. exports to Canada because modification only affects U.S. exports to Mexico. These effects to be determined.
206–208	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
209-212	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> One tariff item added to Mexico definition of 6203.39.aa, 6204.19.aa, 6204.39.aa, and 6204.59.aa. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because modification only affects U.S. exports to Mexico. These effects to be determined.
213-228	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
229	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> New HS categories created for these molybdenum articles, so existing tariff item deleted and proposed tariff items added to match HS change. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because product coverage of proposed tariff item is the same as existing tariff item. Effects on U.S. exports to Mexico to be determined.
230-240	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
241	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> Two tariff items added to Mexico's definition of 8427.10.aa. <i>Effects:</i> There will be no effects on U.S. NAFTA imports and U.S. exports to Canada because modification affects only U.S. exports to Mexico. These effects to be determined.

Note.—Item # refers to items in the list of proposed modifications included in enclosure 2. NTR indicates normal trade relations duty rates (formerly most-favored nation). For the purposes of the NAFTA rules of origin, the term "heading" refers to 4-digit Harmonized System (HS) categories, "subheading" refers to 6-digit categories, and "tariff item" refers to 8-digit categories. See footnotes at end of table.

Enclosure 1–Continued
USITC Probable Effects Advice on Proposed
Modifications to the NAFTA Rules of Origin (Phase 2)

Item #(s)	Proposed modifications	
	Probable effects on: ¹	Nature of modification and effects explanation
242–248	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
249	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> HS category eliminated, and articles reclassified in 8461.90, so this tariff item no longer necessary. <i>Effects:</i> There will be no effect on U.S. imports because articles in new HS category have same rule of origin as old HS category. No effects on U.S. exports to Canada because Canadian MFN rate is free for both existing and proposed tariff items. Effects on Mexico to be determined.
250-252	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
253	Part 2 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> U.S. tariff item renumbered because it covers more articles. <i>Effects:</i> There will be no effect on U.S. NAFTA exports because modification only affects U.S. NAFTA imports. No effect on U.S. NAFTA imports because all articles in the renumbered tariff item will have same rule of origin applied as existing rule of origin.
254-276	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
277	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> HS category eliminated, and articles in these tariff items reclassified to 8467.91 and 8467.99. <i>Effects:</i> There will be no effect on U.S. NAFTA imports because reclassified articles will have same rule of origin as existing rule of origin. No effect on U.S. exports to Canada because reclassified articles have Canadian MFN rate of free. Effects on U.S. exports to Mexico to be determined.
278-287	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.

Note.—Item # refers to items in the list of proposed modifications included in enclosure 2. NTR indicates normal trade relations duty rates (formerly most-favored nation). For the purposes of the NAFTA rules of origin, the term "heading" refers to 4-digit Harmonized System (HS) categories, "subheading" refers to 6-digit categories, and "tariff item" refers to 8-digit categories. See footnotes at end of table.

Enclosure 1–Continued
USITC Probable Effects Advice on Proposed
Modifications to the NAFTA Rules of Origin (Phase 2)

Item #(s)	Proposed modifications	
	Probable effects on: ¹	Nature of modification and effects explanation
288	Part 2 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> This tariff item used only because of a current difference in classification between the NAFTA countries. This tariff item is for paging alert devices, which the United States classifies in 8531.80 and Canada and Mexico classify in 8527.90. The United States will also classify these devices in 8527.90. Because classification will be the same for all NAFTA countries, this tariff item will be deleted (see also item 293). <i>Effects:</i> There will be no effects on U.S. NAFTA imports because U.S. NTR rate is free for paging alert devices, regardless of where classified. No effect on U.S. NAFTA exports because Canada and Mexico will not be changing classification for these devices.
289-290	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
291-292	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> Tariff items added to Mexico's definition of 8528.30.gg, 8529.90.cc, and 8529.90.dd. <i>Effects:</i> There will be no effects on U.S. NAFTA imports or U.S. exports to Canada because modification only affects U.S. exports to Mexico. These effects to be determined.
293	Part 2 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> This tariff item used only because of a current difference in classification between the NAFTA countries. This tariff item is for paging alert devices, which the United States classifies in 8531.80 and Canada and Mexico classify in 8527.90. The United States will also classify these devices in 8527.90. Because classification will be the same for all NAFTA countries, this tariff item will be deleted (see also item 288). <i>Effects:</i> There will be no effects on U.S. NAFTA imports because U.S. NTR rate is free for paging alert devices, regardless of where classified. No effect on U.S. NAFTA exports because Canada and Mexico will not be changing classification for these devices.

Note.—Item # refers to items in the list of proposed modifications included in enclosure 2. NTR indicates normal trade relations duty rates (formerly most-favored nation). For the purposes of the NAFTA rules of origin, the term "heading" refers to 4-digit Harmonized System (HS) categories, "subheading" refers to 6-digit categories, and "tariff item" refers to 8-digit categories. See footnotes at end of table.

Enclosure 1–Continued
USITC Probable Effects Advice on Proposed
Modifications to the NAFTA Rules of Origin (Phase 2)

Item #(s)	Proposed modifications	
	Probable effects on: ¹	Nature of modification and effects explanation
294	Part 2 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	NOTE: This modification shown below was not listed in the modifications from the Department of Treasury. It is included here because it will have to be incorporated into the Annex 401 rules of origin because of changes to the U.S. HTS. <i>Modification:</i> U.S. tariff item 8531.90.10 will be changed to 8531.90.15 to reflect that paging alert printed circuit assemblies will be moved from this tariff item to 8527.90. <i>Effects:</i> There will be no effect on U.S. NAFTA imports because U.S. NTR rate is free. No effect on U.S. NAFTA exports because this modification is only for United States.
295-305	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
306-309	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> HS categories 8542.12, 8542.14, and 85.42.19 eliminated, and articles in these tariff items reclassified to 8542.21. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because reclassified articles have same rule of origin as existing articles. Effect on U.S. exports to Mexico to be determined.
310	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> Tariff item eliminated and added to Mexican definition of 8543.89.aa. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because modification only affects U.S. exports to Mexico. These effects to be determined.
311-315	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
316	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> Tariff item added to Mexican definition of 8706.00.aa. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because modification only affects U.S. exports to Mexico. These effects to be determined.
317-323	Part 2 modifications	

Note.—Item # refers to items in the list of proposed modifications included in enclosure 2. NTR indicates normal trade relations duty rates (formerly most-favored nation). For the purposes of the NAFTA rules of origin, the term "heading" refers to 4-digit Harmonized System (HS) categories, "subheading" refers to 6-digit categories, and "tariff item" refers to 8-digit categories. See footnotes at end of table.

Enclosure 1–Continued
USITC Probable Effects Advice on Proposed
Modifications to the NAFTA Rules of Origin (Phase 2)

Item #(s)	Proposed modifications	
	Probable effects on: ¹	Nature of modification and effects explanation
	None	<i>Note:</i> No proposed modifications to these items.
324-325	Part 2 modifications	
	U.S. total trade: Imports: None Exports: TBD U.S. production: TBD	<i>Modification:</i> Tariff items replaced to Mexican definitions of 8708.99.dd, 8708.99.ee, and 8708.99.ff. Tariff items added and deleted to Mexican definition of 8708.99.hh <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Canada because modification only affects U.S. exports to Mexico. These effects to be determined.
326-327	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
328	Part 2 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> U.S. tariff items changed for definition of 9009.99.aa and 9009.99.bb. <i>Effects:</i> There will be no effects on U.S. NAFTA exports because modification only affects U.S. NAFTA imports. No effects on U.S. imports because articles will have same rule of origin applied as existing rule of origin (however, these articles are involved in another modification; see item # 339).
329-330	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.
331	Part 2 modifications	
	U.S. total trade: Imports: None Exports: None U.S. production: None	<i>Modification:</i> Canadian tariff items changed for definition of 9018.90.bb. This change appears to correct a typographical error because present Canadian tariff item does not exist. <i>Effects:</i> There will be no effect on U.S. NAFTA imports and U.S. exports to Mexico because modification only affects U.S. exports to Canada. No effect on U.S. exports to Canada because Canadian MFN rate on affected products is free.
332-338	Part 2 modifications	
	None	<i>Note:</i> No proposed modifications to these items.

Note.—Item # refers to items in the list of proposed modifications included in enclosure 2. NTR indicates normal trade relations duty rates (formerly most-favored nation). For the purposes of the NAFTA rules of origin, the term "heading" refers to 4-digit Harmonized System (HS) categories, "subheading" refers to 6-digit categories, and "tariff item" refers to 8-digit categories. See footnotes at end of table.

Enclosure 2

List of Proposed Modifications to the NAFTA Rules of Origin (phase 2) Compiled by USITC staff in consultation with the U.S. Department of Treasury September/October 2001

The proposed modifications to the NAFTA rules of origin listed in this enclosure were compiled by the staff of the U.S. International Trade Commission in consultation with the U.S. Department of the Treasury. The following parts list the proposed modifications:

Part 1 This shows the proposed modifications to Annexes 401 and 403.1.

Note 1: Annex 401 lists the specific rules of origin. Annex 403.1 lists certain tariff provisions for automotive goods.

Note 2: Some of these modifications contain generic tariff items (e.g. 8702.10.bb). Because 8-digit tariff items are based on national tariff structure, each NAFTA country has created specific tariff items that correspond to the generic tariff items. These specific tariff items are defined in "Tariff Items for NAFTA," a section that is included in Annex 401.

Note 3: This part refers to modifications to "Tariff Items for NAFTA;" these changes are also listed in the table in Part 2.

Part 2 This shows the proposed modifications to the section of Annex 401 entitled "Tariff Items For NAFTA."

Note 1: This section defines specific tariff items for the NAFTA countries (see Note 2 above). For example, generic tariff item 1806.10.aa is equivalent to Canadian tariff item 1806.10.10 (see item # 164).

Part 3 This shows an additional proposed modification to Annex 401 affecting certain photocopier apparatus (including parts and accessories).

Enclosure 2 - Part 1
Proposed Modifications to Annexes 401 and 403.1

**Item
#**

Rule modification

1. **13.01-13.02:** Delete the rule of origin applicable to heading 13.01-13.02 and replace with the following:

A change to heading 13.01 through 13.02 from any other chapter, except from concentrates of poppy straw of subheading 2939.11.
2. **1904.90:** Delete subheading 1904.90 and the rule of origin applicable thereto and replace with the following:

1904.30-1904.90	A change to subheading 1904.30 through 1904.90 from any other chapter.
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3. **2009.11-2009.30:** Delete subheading 2009.11-2009.30 and the rule of origin applicable thereto and replace with the following:

2009.11-2009.39	A change to subheading 2009.11 through 2009.39 from any other chapter, except from heading 08.05.
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4. **2009.40-2009.80:** Delete subheading 2009.40-2009.80 and the rule of origin applicable thereto and replace with the following:

2009.41-2009.80	A change to subheading 2009.41 through 2009.80 from any other chapter.
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5. **2805.11-2805.40:** Delete subheading 2805.11-2805.40 and the rule of origin applicable thereto and replace with the following:

2805.11-2805.12	A change to subheading 2805.11 through 2805.12 from any other subheading, including another subheading within that group.
2805.19	A change to other alkali metals of subheading 2805.19 from other alkaline earth metals of subheading 2805.19 or any other subheading; or A change to other alkaline earth metals of subheading 2805.19 from other alkali metals of subheading 2805.19 or any other subheading.
2805.30-2805.40	A change to subheading 2805.30 through 2805.40 from any other subheading, including another subheading within that group.
6. **2816.10-2818.30:** Delete subheading 2816.10-2818.30 and the rule of origin applicable thereto and replace with the following:

2816.10	A change to subheading 2816.10 from any other subheading.
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Enclosure 2 - Part 1—Continued
Proposed Modifications to Annexes 401 and 403.1

**Item
#**

Rule modification

- 2816.40 A change to oxide, hydroxide or peroxide of strontium of subheading 2816.40 from oxide, hydroxide or peroxide of barium of subheading 2816.40 or any other subheading; or
- A change to oxide, hydroxide or peroxide of barium of subheading 2816.40 from oxide, hydroxide or peroxide of strontium of subheading 2816.40 or any other subheading.
- 2817.00-2818.30 A change to subheading 2817.00 through 2818.30 from any other subheading, including another subheading within that group.
7. **2825.10-2828.90:** Delete subheading 2825.10-2828.90 and the rule of origin applicable thereto and replace with the following:
- 2825.10-2826.90 A change to subheading 2825.10 through 2826.90 from any other subheading, including another subheading within that group.
- 2827.10-2827.36 A change to subheading 2827.10 through 2827.36 from any other subheading, including another subheading within that group.
- 2827.39 A change to barium chloride of subheading 2827.39 from other chlorides of subheading 2827.39 or any other subheading; or
- A change to other chlorides of subheading 2827.39 from barium chloride of subheading 2827.39 or any other subheading.
- 2827.41-2827.60 A change to subheading 2827.41 through 2827.60 from any other subheading, including another subheading within that group.
- 2828.10-2828.90 A change to subheading 2828.10 through 2828.90 from any other subheading, including another subheading within that group.
8. **2830.10-2835.39:** Delete subheading 2830.10-2835.39 and the rule of origin applicable thereto and replace with the following:
- 2830.10-2833.40 A change to subheading 2830.10 through 2833.40 from any other subheading, including another subheading within that group.
- 2834.10-2834.21 A change to subheading 2834.10 through 2834.21 from any other subheading, including another subheading within that group.
- 2834.29 A change to bismuth nitrates of subheading 2834.29 from

Enclosure 2 - Part 1—Continued
Proposed Modifications to Annexes 401 and 403.1

**Item
#**

Rule modification

other nitrates of subheading 2834.29 or any other subheading;
or

A change to other nitrates of subheading 2834.29 from bismuth nitrates of subheading 2834.29 or any other subheading.

2835.10-2835.39 A change to subheading 2835.10 through 2835.39 from any other subheading, including another subheading within that group.

9. **2837.11-2850.00:** Delete subheading 2837.11-2850.00 and the rule of origin applicable thereto and replace with the following:

2837.11-2840.30 A change to subheading 2837.11 through 2840.30 from any other subheading, including another subheading within that group.

2841.10-2841.30 A change to subheading 2841.10 through 2841.30 from any other subheading, including another subheading within that group.

2841.50 A change to potassium dichromate of 2841.50 from other chromates, dichromates or peroxochromates of subheading 2841.50 or any other subheading; or

A change to other chromates, dichromates or peroxochromates of subheading 2841.50 from potassium dichromate of 2841.50 or any other subheading.

2841.61-2841.90 A change to subheading 2841.61 through 2841.90 from any other subheading, including other subheading within that group.

2842.10 A change to double or complex silicates, including chemically defined aluminosilicates, of subheading 2842.10 from non-chemically defined aluminosilicates of subheading 2842.10 or any other subheading;

A change to non-chemically defined aluminosilicates of subheading 2842.10 from any other chapter, except from Chapter 28 through 38; or

A change to non-chemically defined aluminosilicates of subheading 2842.10 from double or complex silicates, including chemically defined aluminosilicates, of subheading 2842.10 or any other subheading within Chapter 28 through 38, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

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- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2842.90 A change to subheading 2842.90 from any other subheading.

2843.10-2850.00 A change to subheading 2843.10 through 2850.00 from any other subheading, including another subheading within that group.

10. **2903.11-2903.30:** Delete subheading 2903.11-2903.30 and the rules of origin applicable thereto and replace with the following:

2903.11-2903.15 A change to subheading 2903.11 through 2903.15 from any other subheading, including another subheading within that group, except from heading 29.01 through 29.02; or

A change to subheading 2903.11 through 2903.15 from heading 29.01 through 29.02, whether or not there is also a change from any other subheading, including another subheading within subheading 2903.11 through 2903.15, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2903.19 A change to 1,2-dichloropropane (propylene dichloride) or dichlorobutanes of subheading 2903.19 from other saturated chlorinated derivatives of acyclic hydrocarbons of subheading 2903.19 or any other subheading, except from heading 29.01 through 29.02; or

A change to 1,2-dichloropropane (propylene dichloride) or dichlorobutanes of subheading 2903.19 from heading 29.01 through 29.02, whether or not there is also a change from other saturated chlorinated derivatives of acyclic hydrocarbons of subheading 2903.19 or any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

A change to other saturated chlorinated derivatives of acyclic hydrocarbons of subheading 2903.19 from 1,2-dichloropropane (propylene dichloride) or dichlorobutanes of subheading 2903.19 or any other subheading, except from heading 29.01 through

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29.02; or

A change to other saturated chlorinated derivatives of acyclic hydrocarbons of subheading 2903.19 from heading 29.01 through 29.02, whether or not there is also a change from 1,2-dichloropropane (propylene dichloride) or dichlorobutanes of subheading 2903.19 or any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2903.21-2903.30

A change to subheading 2903.21 through 2903.30 from any other subheading, including another subheading within that group, except from heading 29.01 through 29.02; or

A change to subheading 2903.21 through 2903.30 from heading 29.01 through 29.02, whether or not there is also a change from any other subheading, including another subheading within subheading 2903.21 through 2903.30, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

11. **2905.50:** Delete subheading 2905.50 and the rule of origin applicable thereto and replace with the following:

2905.51-2905.59

A change to subheading 2905.51 through 2905.59 from any subheading outside that group.

12. **2906.11-2907.30:** Delete subheading 2906.11-2907.30 and the rule of origin applicable thereto and replace with the following:

2906.11-2906.29

A change to subheading 2906.11 through 2906.29 from any other subheading, including another subheading within that group.

2907.11-2907.23

A change to subheading 2907.11 through 2907.23 from any other subheading, including another subheading within that group.

2907.29

A change to phenol-alcohols of subheading 2907.29 from polyphenols of subheading 2907.29 or any other subheading;
or

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A change to polyphenols of subheading 2907.29 from phenol-alcohols of subheading 2907.29 or any other subheading.

13. **2918.11-2918.21:** Delete subheading 2918.11-2918.21 and the rule of origin applicable thereto and replace with the following:

2918.11-2918.16 A change to subheading 2918.11 through 2918.16 from any other subheading, including another subheading within that group.

2918.19 A change to phenylglycolic acid (mandelic acid), its salts or esters of subheading 2918.19 from any other good of subheading 2918.19 or any other subheading; or

A change to any other good of subheading 2918.19 from phenylglycolic acid (mandelic acid), its salts or esters of subheading 2918.19 or any other subheading.

2918.21 A change to subheading 2918.21 from any other subheading.

14. **2921.41-2921.59:** Delete subheading 2921.41-2921.59 and the rules of origin applicable thereto and replace with the following:

2921.41-2921.45 A change to subheading 2921.41 through 2921.45 from any other heading, except from heading 29.01, 29.02, 29.04, 29.16, 29.17 or 29.26; or

A change to subheading 2921.41 through 2921.45 from any other subheading within heading 29.21, including another subheading within that group, or heading 29.01, 29.02, 29.04, 29.16, 29.17 or 29.26, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2921.46-2921.49 A change to subheading 2921.46 through 2921.49 from any other heading, except from heading 29.01, 29.02, 29.04, 29.16, 29.17 or 29.26; or

A change to subheading 2921.46 through 2921.49 from any subheading outside that group within heading 29.21 or heading 29.01, 29.02, 29.04, 29.16, 29.17 or 29.26, whether or not there

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is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2921.51-2921.59

A change to subheading 2921.51 through 2921.59 from any other heading, except from heading 29.01, 29.02, 29.04, 29.16, 29.17 or 29.26; or

A change to subheading 2921.51 through 2921.59 from any other subheading within heading 29.21, including another subheading within that group, or heading 29.01, 29.02, 29.04, 29.16, 29.17 or 29.26, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

15. **2922.11-2922.50:** Delete subheading 2922.11-2922.50 and the rules of origin applicable thereto and replace with the following:

2922.11-2922.13

A change to subheading 2922.11 through 2922.13 from any other heading, except from heading 29.05 through 29.21; or

A change to subheading 2922.11 through 2922.13 from any other subheading within heading 29.22, including another subheading within that group, or heading 29.05 through 29.21, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2922.14-2922.19

A change to subheading 2922.14 through 2922.19 from any other heading, except from heading 29.05 through 29.21; or

A change to subheading 2922.14 through 2922.19 from any subheading outside that group within heading 29.22 or heading 29.05 through 29.21, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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	<p>(a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used.</p>
2922.21-2922.29	<p>A change to subheading 2922.21 through 2922.29 from any other heading, except from heading 29.05 through 29.21; or</p> <p>A change to subheading 2922.21 through 2922.29 from any other subheading within heading 29.22, including another subheading within that group, or heading 29.05 through 29.21, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:</p> <p>(a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used.</p>
2922.31-2922.39	<p>A change to subheading 2922.31 through 2922.39 from any other heading, except from heading 29.05 through 29.21; or</p> <p>A change to subheading 2922.31 through 2922.39 from any subheading outside that group within heading 29.22 or heading 29.05 through 29.21, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:</p> <p>(a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used.</p>
2922.41-2922.43	<p>A change to subheading 2922.41 through 2922.43 from any other heading, except from heading 29.05 through 29.21; or</p> <p>A change to subheading 2922.41 through 2922.43 from any other subheading within heading 29.22, including another subheading within that group, or heading 29.05 through 29.21, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:</p> <p>(a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used.</p>
2922.44-2922.49	<p>A change to subheading 2922.44 through 2922.49 from any other heading, except from heading 29.05 through 29.21; or</p> <p>A change to subheading 2922.44 through 2922.49 from any subheading outside that group within heading 29.22 or heading</p>

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29.05 through 29.21, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2922.50

A change to subheading 2922.50 from any other heading, except from heading 29.05 through 29.21; or

A change to subheading 2922.50 from any other subheading within heading 29.22 or heading 29.05 through 29.21, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

16. **2924.10:** Delete subheading 2924.10 and the rule of origin applicable thereto and replace with the following:

2924.11-2924.19

A change to subheading 2924.11 through 2924.19 from any subheading outside that group.

17. **2924.22-2924.29:** Delete subheading 2924.22-2924.29 and the rules of origin applicable thereto and replace with the following:

2924.23

A change to subheading 2924.23 from any other subheading, except from subheading 2917.20 or 2924.24 through 2924.29;

A change to 2-acetamidobenzoic acid (N-acetylanthranilic acid) of subheading 2924.23 from its salts of subheading 2924.23 or subheading 2917.20 or 2924.24 through 2924.29, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used; or

A change to salts of subheading 2924.23 from 2-acetamidobenzoic acid (N-acetylanthranilic acid) of subheading 2924.23 or subheading 2917.20 or 2924.24 through 2924.29,

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whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2924.24-2924.29

A change to subheading 2924.24 through 2924.29 from any subheading outside that group, except from subheading 2917.20 or 2924.23; or

A change to subheading 2924.24 through 2924.29 from subheading 2917.20 or 2-acetamidobenzoic acid (N-acetylanthranilic acid) of subheading 2924.23, whether or not there is also a change from any subheading outside that group, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

18. **2925.11-2928.00:** Delete subheading 2925.11-2928.00 and the rule of origin applicable thereto and replace with the following:

2925.11

A change to subheading 2925.11 from any other subheading.

2925.12-2925.19

A change to subheading 2925.12 through 2925.19 from any subheading outside that group.

2925.20

A change to subheading 2925.20 from any other subheading.

2926.10-2926.20

A change to subheading 2926.10 through 2926.20 from any other subheading, including another subheading within that group.

2926.30-2926.90

A change to subheading 2926.30 through 2926.90 from any subheading outside that group.

29.27-29.28

A change to heading 29.27 through 29.28 from any other heading, including another heading within that group.

19. **2932.11-2932.99:** Delete subheading 2932.11-2932.99 and the rules of origin applicable thereto and replace with the following:

2932.11-2932.94

A change to subheading 2932.11 through 2932.94 from any other heading; or

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A change to subheading 2932.11 through 2932.94 from any other subheading within heading 29.32, including another subheading within that group, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2932.95-2932.99

A change to subheading 2932.95 through 2932.99 from any other heading; or

A change to subheading 2932.95 through 2932.99 from any subheading outside that group within heading 29.32, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

20. **2933.11-2933.69:** Delete subheading 2933.11-2933.69 and the rules of origin applicable thereto and replace with the following:

2933.11-2933.32

A change to subheading 2933.11 through 2933.32 from any other heading; or

A change to subheading 2933.11 through 2933.32 from any other subheading within heading 29.33, including another subheading within that group, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2933.33-2933.39

A change to subheading 2933.33 through 2933.39 from any other heading; or

A change to subheading 2933.33 through 2933.39 from any subheading outside that group within heading 29.33, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or

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	(b) 50 percent where the net cost method is used.
2933.41-2933.49	<p>A change to subheading 2933.41 through 2933.49 from any other heading; or</p> <p>A change to subheading 2933.41 through 2933.49 from any subheading outside that group within heading 29.33, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:</p> <p>(a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used.</p>
2933.52-2933.54	<p>A change to subheading 2933.52 through 2933.54 from any other heading; or</p> <p>A change to subheading 2933.52 through 2933.54 from any subheading outside that group within heading 29.33, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:</p> <p>(a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used.</p>
2933.55-2933.59	<p>A change to subheading 2933.55 through 2933.59 from any other heading; or</p> <p>A change to subheading 2933.55 through 2933.59 from any subheading outside that group within heading 29.33, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:</p> <p>(a) 60 percent where the transaction value method is used, or (b) 50 percent where the net cost method is used.</p>
2933.61-2933.69	<p>A change to subheading 2933.61 through 2933.69 from any other heading; or</p> <p>A change to subheading 2933.61 through 2933.69 from any other subheading within heading 29.33, including another subheading within that group, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:</p>

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- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

21. **2933.79-3933.90:** Delete subheading 2933.79-2933.90 and the rules of origin applicable thereto and replace with the following:

2933.72-2933.79 A change to subheading 2933.72 through 2933.79 from any other heading; or

A change to subheading 2933.72 through 2933.79 from any subheading outside that group within heading 29.33, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2933.91-2933.99 A change to subheading 2933.91 through 2933.99 from any other heading; or

A change to subheading 2933.91 through 2933.99 from any subheading outside that group within heading 29.33, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

22. **2934.10-2934.90:** Delete subheading 2934.10-2934.90 and the rules of origin applicable thereto and replace with the following:

2934.10-2934.30 A change to subheading 2934.10 through 2934.30 from any other subheading, including another subheading within that group.

2934.91-2934.99 A change to subheading 2934.91 through 2934.99 from any subheading outside that group; or

A change to nucleic acids of subheading 2934.91 through 2934.99 from other heterocyclic compounds of subheading 2943.91 through 2934.99.

23. **2937.10-2937.99:** Delete subheading 2937.10-2937.99 and the rules of origin applicable thereto and replace with the following:

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2937.11-2937.90 A change to subheading 2937.11 through 2937.90 from any other chapter, except from Chapter 28 through 38; or

A change to subheading 2937.11 through 2937.90 from any other subheading within Chapter 28 through 38, including another subheading within that group, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

24. **2939.10-2939.90:** Delete subheading 2939.10-2939.90 and the rules of origin applicable thereto and replace with the following:

2939.11 A change to concentrates of poppy straw of subheading 2939.11 from any other subheading, except from Chapter 13; or

A change to any other good of subheading 2939.11 from concentrates of poppy straw of subheading 2939.11 or any other subheading, except from subheading 2939.19.

2939.19 A change to subheading 2939.19 from concentrates of poppy straw of subheading 2939.11 or any other subheading, except from any other good of subheading 2939.11.

2939.21-2939.42 A change to subheading 2939.21 through 2939.42 from any other subheading, including another subheading within that group.

2939.43-2939.49 A change to subheading 2939.43 through 2939.49 from any subheading outside that group.

2939.51-2939.59 A change to subheading 2939.51 through 2939.59 from any subheading outside that group.

2939.61-2939.69 A change to subheading 2939.61 through 2939.69 from any other subheading, including another subheading within that group.

2939.91-2939.99 A change to subheading 2939.91 through 2939.99 from any subheading outside that group;

A change to nicotine or its salts of subheading 2939.99 from any other good of subheading 2939.99; or

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A change to any other good of subheading 2939.99 from nicotine or its salts of subheading 2939.99.

25. **3001.10-3001.20:** Delete the rules of origin applicable to subheading 3001.10-3001.20 and replace with the following:

A change to subheading 3001.10 through 3001.20 from any other heading, except from subheading 3006.80; or

A change to subheading 3001.10 through 3001.20 from any other subheading within heading 30.01, including another subheading within that group, whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

26. **3001.90:** Delete the rule of origin applicable to subheading 3001.90 and replace with the following:

A change to subheading 3001.90 from any other subheading, except from subheading 3006.80.

27. **3002.10-3002.90:** Delete the rule of origin applicable to subheading 3002.10-3002.90 and replace with the following:

A change to subheading 3002.10 through 3002.90 from any other subheading, including another subheading within that group, except from subheading 3006.80.

28. **3003.10-3003.90:** Delete the rules of origin applicable to subheading 3003.10-3003.90 and replace with the following:

A change to subheading 3003.10 through 3003.90 from any other heading, except from subheading 3006.80; or

A change to subheading 3003.10 through 3003.90 from any other subheading within heading 30.03, whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

29. **3004.10-3004.32:** Delete subheading 3004.10-3004.32 and the rules of origin applicable thereto and replace with the following:

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3004.10-3004.31 A change to subheading 3004.10 through 3004.31 from any other heading, except from heading 30.03 or subheading 3006.80; or

A change to subheading 3004.10 through 3004.31 from heading 30.03 or any other subheading within heading 30.04, including another subheading within that group, whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

3004.32

A change to hormone derivatives of corticosteroid hormones of subheading 3004.32 from any other subheading or corticosteroid hormones or structural analogues of corticosteroid hormones of subheading 3004.32, except from subheading 3004.39 or 3006.80;

A change to structural analogues of corticosteroid hormones of subheading 3004.32 from any other subheading or corticosteroid hormones or derivatives of subheading 3004.32, except from subheading 3004.39 or 3006.80;

A change to any other good of subheading 3004.32 from any other heading, except from heading 30.03 or subheading 3006.80;
or

A change to any other good of subheading 3004.32 from heading 30.03, any other subheading within heading 30.04 or hormone derivatives or structural analogues of corticosteroid hormones of subheading 3004.32, whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

30. **3004.39:** Delete the rule of origin applicable to subheading 3004.39 and replace with the following:

A change to subheading 3004.39 from any other subheading, except from subheading 3006.80.

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31. **3004.40-3004.50:** Delete the rules of origin applicable to subheading 3004.40-3004.50 and replace with the following:

A change to subheading 3004.40 through 3004.50 from any other heading, except from heading 30.03 or subheading 3006.80; or

A change to subheading 3004.40 through 3004.50 from heading 30.03 or any other subheading within heading 30.04, including another subheading within that group, whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

32. **3004.90:** Delete the rule of origin applicable to subheading 3004.90 and replace with the following:

A change to subheading 3004.90 from any other subheading, except from subheading 3006.80.

33. **3005.10-3005.90:** Delete the rules of origin applicable to subheading 3005.10-3005.90 and replace with the following:

A change to subheading 3005.10 through 3005.90 from any other heading, except from subheading 3006.80; or

A change to subheading 3005.10 through 3005.90 from any other subheading within heading 30.05, whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

34. **3006.10:** Delete the rules of origin applicable to subheading 3006.10 and replace with the following:

A change to subheading 3006.10 from any other heading; or

A change to subheading 3006.10 from any other subheading within heading 30.06, except from subheading 3006.80, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

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35. **3006.20:** Delete the rule of origin applicable to subheading 3006.20 and replace with the following:

A change to subheading 3006.20 from any other subheading, except from subheading 3006.80.

36. **3006.30-3006.60:** Delete the rules of origin applicable to subheading 3006.30-3006.60 and replace with the following:

A change to subheading 3006.30 through 3006.60 from any other heading; or

A change to subheading 3006.30 through 3006.60 from any other subheading within heading 30.06, including another subheading within that group, except from subheading 3006.80, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

37. **3006.70:** Immediately after subheading 3006.30-3006.60 and the rules of origin applicable thereto, insert subheading 3006.70 and the applicable rules of origin, as follows:

3006.70 A change to subheading 3006.70 from any other chapter, except from Chapter 28 through 38; or

A change to subheading 3006.70 from any other subheading within Chapter 28 through 38, except from subheading 3006.80, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

38. **3006.80:** Immediately after subheading 3006.70 and the rules of origin applicable thereto, insert subheading 3006.80 and the applicable rule of origin, as follows:

3006.80 A change to subheading 3006.80 from any other chapter.

39. **3401.30:** Immediately after subheading 3401.11-3401.20 and the rules of origin applicable thereto, insert subheading 3401.30 and the applicable rules of origin, as follows:

3401.30 A change to subheading 3401.30 from any other subheading, except from subheading 3402.90; or

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A change to subheading 3401.30 from subheading 3402.90, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

40. **3402.11-3402.12:** In the first rule of origin applicable to subheading 3402.11-3402.12, replace “subheading 3817.10” with “heading 38.17”, as follows:

A change to subheading 3402.11 through 3402.12 from any other heading, except to linear alkylbenzene sulfonic acid or linear alkylbenzene sulfonates of subheading 3402.11 from linear alkylbenzene of heading 38.17; or

A change to subheading 3402.11 through 3402.12 from any other subheading, including another subheading within heading 34.02, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

41. **3402.20-3402.90:** Delete the rules of origin applicable to subheading 3402.20-3402.90 and replace with the following:

A change to subheading 3402.20 through 3402.90 from any subheading outside that group, except from subheading 3401.30; or

A change to subheading 3402.20 through 3402.90 from any other subheading within that group or subheading 3401.30, whether or not there is also a change from any subheading outside that group, provided there is a regional value content of not less than:

- (a) 65 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

42. **3817.10-3817.20:** Delete subheading 3817.10-3817.20 and heading 38.18-38.19 and the rules of origin applicable thereto and replace with the following:

38.17-38.19 A change to heading 38.17 through 38.19 from any other heading, including another heading within that group.

43. **38.22:** Delete the rules of origin applicable to heading 38.22 and replace with the following:

A change to certified reference materials of heading 38.22 from any other good of heading 38.22 or any other heading, provided there is a regional value content of not less than:

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- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used;

A change to any other good of heading 38.22 from any other chapter, except from Chapter 28 through 38; or

A change to any other good of heading 38.22 from any other subheading within Chapter 28 through 38, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

44. **3825.10-3825.69:** Immediately after subheading 3824.71-3824.90 and the rules of origin applicable thereto, insert subheading 3825.10-3825.69 and the applicable rule of origin, as follows:

3825.10-3825.69 A change to subheading 3825.10 through 3825.69 from any other chapter, except from Chapter 28 through 38, 40 or 90.

45. **3825.90:** Immediately after subheading 3825.10-3825.69 and the rule of origin applicable thereto, insert subheading 3825.90 and the applicable rules of origin, as follows:

3825.90 A change to subheading 3825.90 from any other chapter, except from Chapter 28 through 38; or

A change to subheading 3825.90 from any other subheading within Chapter 28 through 38, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

46. **40.09:** Delete subheading 4009.10-4009.40 and 4009.50 and the rules of origin and footnotes applicable thereto and replace with the following:

4009.11* A change to subheading 4009.11 from any other heading, except from heading 40.10 through 40.17.

4009.12* A change to tubes, pipes or hoses of subheading 4009.12, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17;

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A change to tubes, pipes or hoses of subheading 4009.12, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from subheading 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction method is used, or
- (b) 50 percent where the net cost method is used; or

A change to tubes, pipes or hoses of subheading 4009.12, other than those of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17.

4009.21* A change to subheading 4009.21 from any other heading, except from heading 40.10 through 40.17.

4009.22* A change to tubes, pipes or hoses of subheading 4009.22, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17;

A change to tubes, pipes or hoses of subheading 4009.22, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from subheading 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction method is used, or
- (b) 50 percent where the net cost method is used; or

A change to tubes, pipes or hoses of subheading 4009.22, other than those of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17.

4009.31* A change to subheading 4009.31 from any other heading, except from heading 40.10 through 40.17.

4009.32* A change to tubes, pipes or hoses of subheading 4009.32, of a kind for

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use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17;

A change to tubes, pipes or hoses of subheading 4009.32, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from subheading 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction method is used, or
- (b) 50 percent where the net cost method is used; or

A change to tubes, pipes or hoses of subheading 4009.32, other than those of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17.

4009.41* A change to subheading 4009.41 from any other heading, except from heading 40.10 through 40.17.

4009.42* A change to tubes, pipes or hoses of subheading 4009.42, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17;

A change to tubes, pipes or hoses of subheading 4009.42, of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from subheading 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction method is used, or
- (b) 50 percent where the net cost method is used; or

A change to tubes, pipes or hoses of subheading 4009.42, other than those of a kind for use in a motor vehicle of tariff item 8702.10.bb or 8702.90.bb, subheading 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 87.11, from any other heading, except from heading 40.10 through 40.17.

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*If the good is for use in a motor vehicle of Chapter 87, the provisions of Article 403 may apply.

47. **40.10-40.11:** In the footnote applicable to heading 40.10-40.11, delete subheading “4010.21, 4010.22 or 4010.29” and replace with “4010.31, 4010.32, 4010.33, 4010.34 or 4010.39”, as follows:

If the good provided for in subheading 4010.31, 4010.32, 4010.33, 4010.34 or 4010.39 or heading 40.11 is for use in a motor vehicle of Chapter 87, the provisions of Article 403 may apply.

In the Tariff Items for NAFTA, delete tariff item 4010.29.aa, “Endless transmission belts (V-belts)”, and replace with tariff item 4010.39.aa, “Endless transmission belts (V-belts)”.

In Annex 403.1, List of Provisions for Article 403(1), replace “4010.21, 4010.22 and 4010.29.aa” with “4010.31, 4010.32, 4010.33, 4010.34 and 4010.39.aa”.

48. **4012.10:** Delete subheading 4012.10 and the rule of origin applicable thereto and replace with the following:

4012.11-4012.19 A change to subheading 4012.11 through 4012.19 from any subheading outside that group, except from tariff item 4012.20.aa.

49. **41.01-41.03:** Delete heading 41.01-41.03 and the rule of origin applicable thereto and replace with the following:

41.01 A change to hides and skins of heading 41.01 which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 41.01 or any other chapter; or

A change to any other good of heading 41.01 from any other chapter.

41.02 A change to hides and skins of heading 41.02 which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 41.02 or any other chapter; or

A change to any other good of heading 41.02 from any other chapter.

41.03 A change to hides and skins of heading 41.03 which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 41.03 or any other chapter; or

A change to any other good of heading 41.03 from any other chapter.

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50. **41.04:** Delete the rule of origin applicable to heading 41.04 and replace with the following:
- A change to heading 41.04 from any other heading, except from hides and skins of heading 41.01 which have undergone a tanning (including pre-tanning) process which is reversible or heading 41.05 through 41.15.
51. **41.05:** Delete the rule of origin applicable to heading 41.05 and replace with the following:
- A change to heading 41.05 from heading 41.02, tariff item 4105.10.aa or any other chapter, except from hides and skins of heading 41.02 which have undergone a tanning (including pre-tanning) process which is reversible.
- In the Tariff Items for NAFTA, delete tariff item 4105.19.aa, “Wet blue”, and replace with tariff item 4105.10.aa, “Wet blue”.
52. **41.06:** Delete heading 41.06 and the rule of origin applicable thereto and replace with the following:
- | | |
|-----------------|---|
| 4106.21-4106.22 | A change to subheading 4106.21 through 4106.22 from heading 41.03, tariff item 4106.21.aa or any other chapter, except from hides and skins of subheading 4103.10 which have undergone a tanning (including pre-tanning) process which is reversible. |
| 4106.31-4106.32 | A change to subheading 4106.31 through 4106.32 from heading 41.03, tariff item 4106.31.aa or any other chapter, except from hides and skins of subheading 4103.30 which have undergone a tanning (including pre-tanning) process which is reversible. |
| 4106.40-4106.92 | A change to subheading 4106.40 through 4106.92 from heading 41.03 or any other chapter, except from hides and skins of subheading 4103.20 or 4103.90 which have undergone a tanning (including pre-tanning) process which is reversible. |
- In the Tariff Items for NAFTA, delete tariff item 4106.19.aa, “Wet blue”, and 4107.10.aa, “Wet blue”, and replace respectively with tariff item 4106.21.aa, “Wet blue”, and 4106.31.aa, “Wet blue”.
53. **41.07:** Delete the rule of origin applicable to heading 41.07 and replace with the following:
- A change to heading 41.07 from heading 41.01 or any other chapter, except from hides and skins of heading 41.01 which have undergone a tanning (including pre-tanning) process which is reversible.
54. **41.08-41.11:** Delete heading 41.08-41.11 and the rule of origin applicable thereto and replace with

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the following:

41.12 A change to heading 41.12 from heading 41.02, tariff item 4105.10.aa or any other chapter, except from hides and skins of heading 41.02 which have undergone a tanning (including pre-tanning) process which is reversible.

41.13 A change to heading 41.13 from heading 41.03, tariff item 4106.21.aa or 4106.31.aa or any other chapter, except from hides and skins of heading 41.03 which have undergone a tanning (including pre-tanning) process which is reversible.

41.14-41.15 A change to heading 41.14 through 41.15 from heading 41.01 through 41.03 or any other chapter, except from hides and skins of heading 41.01 through 41.03 which have undergone a tanning (including pre-tanning) process which is reversible.

54. **48.01-48.07:** Delete heading 48.01-48.07 and the rule of origin applicable thereto and replace with the following:

48.01 A change to heading 48.01 from any other chapter.

48.02 A change to paper or paperboard in strips or rolls of a width not exceeding 15cm of heading 48.02 from strips or rolls of a width exceeding 15cm of heading 48.02 or any other heading, except from heading 48.17 through 48.23;

A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 48.02 from strips or rolls of a width exceeding 15cm of heading 48.02, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the other dimension exceeding 15 cm in the unfolded state of heading 48.02 or any other heading, except from heading 48.17 through 48.23; or

A change to any other good of heading 48.02 from any other chapter.

48.03-48.07 A change to heading 48.03 through 48.07 from any other chapter.

55. **48.10-48.13:** Delete heading 48.10-48.13 and the rule of origin applicable thereto and replace with the following:

48.10 A change to paper or paperboard in strips or rolls of a width not

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exceeding 15cm of heading 48.10 from strips or rolls of a width exceeding 15cm of heading 48.10 or any other heading, except from heading 48.17 through 48.23;

A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 48.10 from strips or rolls of a width exceeding 15cm of heading 48.10, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the other dimension exceeding 15 cm in the unfolded state of heading 48.10 or any other heading, except from heading 48.17 through 48.23; or

A change to any other good of heading 48.10 from any other chapter.

48.11

A change to paper or paperboard in strips or rolls of a width not exceeding 15cm of heading 48.11 from strips or rolls of a width exceeding 15cm of heading 48.11 or any other heading, except from heading 48.17 through 48.23;

A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 48.11 from strips or rolls of a width exceeding 15cm of heading 48.11, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the other dimension exceeding 15 cm in the unfolded state of heading 48.11 or any other heading, except from heading 48.17 through 48.23; or

A change to any other good of heading 48.11 from any other chapter.

48.12-48.13

A change to heading 48.12 through 48.13 from any other chapter.

56. **48.17-48.23:** Delete heading 48.17-48.23 and the rule of origin applicable thereto and replace with the following:

48.17-48.22

A change to heading 48.17 through 48.22 from any heading outside that group, except from heading 48.23.

48.23

A change to strips or rolls of a width of 15 cm or less of heading 48.23 from strips or rolls of a width exceeding 15 cm of heading 48.23, other than strips or rolls of heading 48.23 which but for their width would be classified in heading 48.03, 48.09 or 48.14, or any other heading, except from heading 48.17 through 48.22;

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A change to strips or rolls of a width exceeding 15 cm of heading 48.23 from any other heading, except from heading 48.01, 48.04 through 48.08 or 48.17 through 48.22; or

A change to any other good of heading 48.23 from strip or rolls of a width exceeding 15cm of heading 48.23, other than strips or rolls of heading 48.23 which but for their width would be classified in heading 48.03, 48.09 or 48.14, or any other heading, except from strip or rolls of a width exceeding 15cm but not exceeding 36cm or paper or paperboard in rectangular (including square) sheets with one side not exceeding 36 cm or the other side not exceeding 15 cm in the unfolded state of heading 48.02, 48.10 or 48.11, or from heading 48.17 through 48.22.

57. **60.01-60.02:** Delete heading 60.01-60.02 and the rule of origin applicable thereto and replace with the following:

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

58. **6002.92.aa:** In the Tariff Items for NAFTA, delete tariff item 6002.92.aa, “Circular knit, wholly of cotton yarns exceeding 100 metric number per single yarn”, and replace with tariff item 6006.21.aa, 6006.22.aa, 6006.23.aa and 6006.24.aa, “Circular knit, wholly of cotton yarns exceeding 100 metric number per single yarn”.

59. **Note 1 to Chapter 61:** Delete the reference to subheading “6002.43 or 6002.91 through 6002.93” and replace with “6005.31 through 6005.44 or 6006.10 through 6006.44”, as follows:

Note 1: *A change to any of the following headings or subheadings for visible lining fabrics:*

51.11 through 51.12, 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 (excluding tariff item 5408.22.aa, 5408.23.aa or 5408.24.aa), 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,

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from any heading outside that group.

60. **6101.10-6101.30:** In the rule of origin applicable to subheading 6101.10-6101.30, replace “60.02” with “60.06”, as follows:

A change to subheading 6101.10 through 6101.30 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

61. **6101.90:** In the rule of origin applicable to subheading 6101.90, replace “60.02” with “60.06”, as follows:

A change to subheading 6101.90 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 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 more of the Parties.

62. **6102.10-6102.30:** In the rule of origin applicable to subheading 6102.10-6102.30, replace “60.02” with “60.06”, as follows:

A change to subheading 6102.10 through 6102.30, 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

63. **6102.90:** In the rule of origin applicable to subheading 6102.90, replace “60.02” with “60.06”, as follows:

A change to subheading 6102.90 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 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 more of the Parties.

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64. **6103.11-6103.12** In the rule of origin applicable to subheading 6103.11-6103.12, replace “60.02” with “60.06”, as follows:

A change to subheading 6103.11 through 6103.12 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

65. **6103.19:** In the rules of origin applicable to tariff item 6103.19.aa and subheading 6103.19, replace “60.02” with “60.06”, as follows:

6103.19.aa A change to tariff item 6103.19.aa 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 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 more of the Parties.

6103.19 A change to subheading 6103.19 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

66. **6103.21-6103.29:** In the rule of origin applicable to subheading 6103.21-6103.29, replace “60.02” with “60.06”, as follows:

A change to subheading 6103.21 through 6103.29 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 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 more 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 fibers, imported as part of an ensemble of these subheadings, the visible lining fabric

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listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

67. **6103.31-6103.33:** In the rule of origin applicable to subheading 6103.31-6103.33, replace “60.02” with “60.06”, as follows:

A change to subheading 6103.31 through 6103.33 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

68. **6103.39:** In the rules of origin applicable to tariff item 6103.39.aa and subheading 6103.39, replace “60.02” with “60.06”, as follows:

6103.39.aa A change to tariff item 6103.39.aa 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 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 more of the Parties.

6103.39 A change to subheading 6103.39 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

69. **6103.41-6103.49:** In the rule of origin applicable to subheading 6103.41-6103.49, replace “60.02” with “60.06”, as follows:

A change to subheading 6103.41 through 6103.49 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 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 more of the Parties.

70. **6104.11-6104.13:** In the rule of origin applicable to subheading 6104.11-6104.13, replace “60.02” with “60.06”, as follows:

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A change to subheading 6104.11 through 6104.13 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

71. **6104.19:** In the rules of origin applicable to tariff item 6104.19.aa and subheading 6104.19, replace “60.02” with “60.06”, as follows:

6104.19.aa A change to tariff item 6104.19.aa 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 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 more of the Parties.

6104.19 A change to subheading 6104.19 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

72. **6104.21-6104.29:** In the rule of origin applicable to subheading 6104.21-6104.29, replace “60.02” with “60.06”, as follows:

A change to subheading 6104.21 through 6104.29 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 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 more of the Parties, and
- (b) with respect to a garment described in heading 61.02, a 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 fibers, imported as part of an ensemble of these subheadings, the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

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73. **6104.31-6104.33:** In the rule of origin applicable to subheading 6104.31-6104.33, replace “60.02” with “60.06”, as follows:

A change to subheading 6104.31 through 6104.33 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

74. **6104.39:** In the rules of origin applicable to tariff item 6104.39.aa and subheading 6104.39, replace “60.02” with “60.06”, as follows:

6104.39.aa A change to tariff item 6104.39.aa 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 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 more of the Parties.

6104.39 A change to subheading 6104.39 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

75. **6104.41-6104.49:** In the rule of origin applicable to subheading 6104.41-6104.49, replace “60.02” with “60.06”, as follows:

A change to subheading 6104.41 through 6104.49 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 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 more of the Parties.

76. **6104.51-6104.53:** In the rule of origin applicable to subheading 6104.51-6104.53, replace “60.02” with “60.06”, as follows:

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A change to subheading 6104.51 through 6104.53 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

77. **6104.59:** In the rules of origin applicable to tariff item 6104.59.aa and subheading 6104.59, replace “60.02” with “60.06”, as follows:

6104.59.aa A change to tariff item 6104.59.aa 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 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 more of the Parties.

6104.59 A change to subheading 6104.59 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 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

78. **6104.61-6104.69:** In the rule of origin applicable to subheading 6104.61-6104.69, replace “60.02” with “60.06”, as follows:

A change to subheading 6104.61 through 6104.69 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 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 more of the Parties.

79. **61.05-61.06:** In the rule of origin applicable to heading 61.05-61.06, replace “60.02” with “60.06”, as follows:

A change to heading 61.05 through 61.06 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,

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Chapter 54 or heading 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 more of the Parties.

80. **6107.11-6107.19:** In the rule of origin applicable to subheading 6107.11-6107.19, replace “60.02” with “60.06”, as follows:

A change to subheading 6107.11 through 6107.19 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 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 more of the Parties.

81. **6107.21:** In the first rule of origin applicable to subheading 6107.21, replace tariff item “6002.92.aa” with “6006.21.aa, 6006.22.aa, 6006.23.aa or 6006.24.aa”, as follows:

A change to subheading 6107.21 from tariff item 6006.21.aa, 6006.22.aa, 6006.23.aa or 6006.24.aa, 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 more of the Parties; or

A change to subheading 6107.21 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 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 more of the Parties.

82. **6107.22-6107.99:** In the rule of origin applicable to subheading 6107.22-6107.99, replace “60.02” with “60.06”, as follows:

A change to subheading 6107.22 through 6107.99 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 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 more of the Parties.

83. **6108.11-6108.19:** In the rule of origin applicable to subheading 6108.11-6108.19, replace “60.02” with “60.06”, as follows:

A change to subheading 6108.11 through 6108.19 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 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 more of the Parties.

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84. **6108.21:** In the first rule of origin applicable to subheading 6108.21, replace tariff item “6002.92.aa” with “6006.21.aa, 6006.22.aa, 6006.23.aa or 6006.24.aa”, as follows:

A change to subheading 6108.21 from tariff item 6006.21.aa, 6006.22.aa, 6006.23.aa or 6006.24.aa, 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 more of the Parties; or

A change to subheading 6108.21 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 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 more of the Parties.

85. **6108.22-6108.29:** In the rule of origin applicable to subheading 6108.22-6108.29, replace “60.02” with “60.06”, as follows:

A change to subheading 6108.22 through 6108.29 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 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 more of the Parties.

86. **6108.31:** In the first rule of origin applicable to subheading 6108.31, replace tariff item “6002.92.aa” with “6006.21.aa, 6006.22.aa, 6006.23.aa or 6006.24.aa”, as follows:

A change to subheading 6108.31 from tariff item 6006.21.aa, 6006.22.aa, 6006.23.aa or 6006.24.aa, 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 more of the Parties; or

A change to subheading 6108.31 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 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 more of the Parties.

87. **6108.32-6108.39:** In the rule of origin applicable to subheading 6108.32-6108.39, replace “60.02” with “60.06”, as follows:

A change to subheading 6108.32 through 6108.39 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 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

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one or more of the Parties.

88. **6108.91-6108.99:** In the rule of origin applicable to subheading 6108.91-6108.99, replace “60.02” with “60.06”, as follows:

A change to subheading 6108.91 through 6108.99 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 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 more of the Parties.

89. **61.09-61.11:** In the rule of origin applicable to heading 61.09-61.11, replace “60.02” with “60.06”, as follows:

A change to heading 61.09 through 61.11 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, Chapter 54 or heading 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 more of the Parties.

90. **6112.11-6112.19:** In the rule of origin applicable to subheading 6112.11-6112.19, replace “60.02” with “60.06”, as follows:

A change to heading 6112.11 through 6112.19 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 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 more of the Parties.

91. **6112.20:** In the rule of origin applicable to subheading 6112.20, replace “60.02” with “60.06”, as follows:

A change to subheading 6112.20 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 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 more 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 fibers, imported as part of a ski-suit of this subheading, the visible lining fabric listed in Note 1 to Chapter 61 satisfies the tariff change requirements provided therein.

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92. **6112.31-6112.49:** In the rule of origin applicable to subheading 6112.31-6112.49, replace “60.02” with “60.06”, as follows:

A change to subheading 6112.31 through 6112.49 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 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 more of the Parties.

93. **61.13-61.17:** In the rule of origin applicable to heading 61.13-61.17, replace “60.02” with “60.06”, as follows:

A change to heading 61.13 through 61.17 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 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 more of the Parties.

94. **Note 1 to Chapter 62:** Delete the reference to subheading “6002.43 or 6002.91 through 6002.93” and replace with “6005.31 through 6005.44 or 6006.10 through 6006.44”, as follows:

Note 1: *A change to any of the following headings or subheadings for visible lining fabrics:*

51.11 through 51.12, 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 (excluding tariff item 5408.22.aa, 5408.23.aa or 5408.24.aa), 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,

from any heading outside that group.

95. **6201.11-6201.13:** In the rule of origin applicable to subheading 6201.11-6201.13, replace “60.02” with “60.06”, as follows:

A change to subheading 6201.11 through 6201.13 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

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53.11, Chapter 54 or heading 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

96. **6201.19:** In the rule of origin applicable to subheading 6201.19, replace “60.02” with “60.06”, as follows:

A change to subheading 6201.19 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

97. **6201.91-6201.93:** In the rule of origin applicable to subheading 6201.91-6201.93, replace “60.02” with “60.06”, as follows:

A change to subheading 6201.91 through 6201.93 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

98. **6201.99:** In the rule of origin applicable to subheading 6201.99, replace “60.02” with “60.06”, as follows:

A change to subheading 6201.99 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

99. **6202.11-6202.13:** In the rule of origin applicable to subheading 6202.11-6202.13, replace “60.02” with “60.06”, as follows:

A change to subheading 6202.11 through 6202.13 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

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53.11, Chapter 54 or heading 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

100. **6202.19:** In the rule of origin applicable to subheading 6202.19, replace “60.02” with “60.06”, as follows:

A change to subheading 6202.19 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

101. **6202.91-6202.93:** In the rule of origin applicable to subheading 6202.91-6202.93, replace “60.02” with “60.06”, as follows:

A change to subheading 6202.91 through 6202.93 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties; and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

102. **6202.99:** In the rule of origin applicable to subheading 6202.99, replace “60.02” with “60.06”, as follows:

A change to subheading 6202.99 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

103. **6203.11-6203.12:** In the rule of origin applicable to subheading 6203.11-6203.12, replace “60.02” with “60.06”, as follows:

A change to subheading 6203.11 through 6203.12 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

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53.11, Chapter 54 or heading 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 more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

104. **6203.19:** In the rules of origin applicable to tariff item 6203.19.aa and subheading 6203.19, replace “60.02” with “60.06”, as follows:

6203.19.aa A change to tariff item 6203.19.aa 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

6203.19 A change to subheading 6203.19 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

105. **6203.21-6203.29:** In the rule of origin applicable to subheading 6203.21-6203.29, replace “60.02” with “60.06”, as follows:

A change to subheading 6203.21 through 6203.29 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more 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 fibers, imported as part of an ensemble of these subheadings, the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

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106. **6203.31-6203.33:** In the rule of origin applicable to subheading 6203.31-6203.33, replace “60.02” with “60.06”, as follows:

A change to subheading 6203.31 through 6203.33 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

107. **6203.39:** In the rules of origin applicable to tariff item 6203.39.aa and subheading 6203.39, replace “60.02” with “60.06”, as follows:

6202.39.aa A change to tariff item 6203.39.aa 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

6203.39 A change to subheading 6203.39 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

108. **6203.41-6203.49:** In the rule of origin applicable to subheading 6203.41-6203.49, replace “60.02” with “60.06”, as follows:

A change to subheading 6203.41 through 6203.49 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

109. **6204.11-6204.13:** In the rule of origin applicable to subheading 6204.11-6204.13, replace

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“60.02” with “60.06”, as follows:

A change to subheading 6204.11 through 6204.13 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

110. **6204.19:** In the rules of origin applicable to tariff item 6204.19.aa and subheading 6204.19, replace “60.02” with “60.06”, as follows:

6204.19.aa A change to tariff item 6204.19.aa 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

6204.19 A change to subheading 6204.19 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

111. **6204.21-6204.29:** In the rule of origin applicable to subheading 6204.21-6204.29, replace “60.02” with “60.06”, as follows:

A change to subheading 6204.21 through 6204.29 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) with respect to a garment described in heading 62.02, a jacket or a blazer

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described in heading 62.04 or a skirt described in heading 62.04, of wool, fine animal hair, cotton or man-made fibers, imported as part of an ensemble of these subheadings, the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

112. **6204.31-6204.33:** In the rule of origin applicable to subheading 6204.31-6204.33, replace “60.02” with “60.06”, as follows:

A change to subheading 6204.31 through 6204.33 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

113. **6204.39:** In the rules of origin applicable to tariff item 6204.39.aa and subheading 6204.39, replace “60.02” with “60.06”, as follows:

6204.39.aa A change to tariff item 6204.39.aa 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

6204.39 A change to subheading 6204.39 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

114. **6204.41-6204.49:** In the rule of origin applicable to subheading 6204.41-6204.49, replace “60.02” with “60.06”, as follows:

A change to subheading 6204.41 through 6204.49 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

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

115. **6204.51-6204.53:** In the rule of origin applicable to subheading 6204.51-6204.53, replace “60.02” with “60.06”, as follows:

A change to subheading 6204.51 through 6204.53 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

116. **6204.59:** In the rules of origin applicable to tariff item 6204.59.aa and subheading 6204.59, replace “60.02” with “60.06”, as follows:

6204.59.aa A change to tariff item 6204.59.aa 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

6204.59 A change to subheading 6204.59 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties, and
- (b) the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

117. **6204.61-6204.69:** In the rule of origin applicable to subheading 6204.61-6204.69, replace “60.02” with “60.06”, as follows:

A change to subheading 6204.61 through 6204.69 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

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	60.06, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the Parties.
118.	<p>6205.10: In the rule of origin applicable to subheading 6205.10, replace “60.02” with “60.06”, as follows:</p> <p>A change to subheading 6205.10 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 and sewn or otherwise assembled in the territory of one or more of the Parties.</p>
119.	<p>6205.20-6205.30: In the rule of origin applicable to subheading 6205.20-6205.30, replace “60.02” with “60.06”, as follows:</p> <p>A change to subheading 6205.20 through 6205.30 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 and sewn or otherwise assembled in the territory of one or more of the Parties.</p>
120.	<p>6205.90: In the rule of origin applicable to subheading 6205.90, replace “60.02” with “60.06”, as follows:</p> <p>A change to subheading 6205.90 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 and sewn or otherwise assembled in the territory of one or more of the Parties.</p>
121.	<p>62.06-62.10: In the rule of origin applicable to heading 62.06-62.10, replace “60.02” with “60.06”, as follows:</p> <p>A change to subheading 62.06 through 62.10 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 and sewn or otherwise assembled in the territory of one or more of the Parties.</p>
122.	<p>6211.11-6211.12: In the rule of origin applicable to subheading 6211.11-6211.12, replace “60.02” with “60.06”, as follows:</p> <p>A change to subheading 6211.11 through 6211.12 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</p>

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

123. **6211.20:** In the rule of origin applicable to subheading 6211.20, replace “60.02” with “60.06”, as follows:

A change to subheading 6211.20 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:

- (a) the good is both cut and sewn or otherwise assembled in the territory of one or more 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 fibers, imported as part of a ski-suit of this subheading, the visible lining fabric listed in Note 1 to Chapter 62 satisfies the tariff change requirements provided therein.

124. **6211.31-6211.49:** In the rule of origin applicable to subheading 6211.31-6211.49, replace “60.02” with “60.06”, as follows:

A change to subheading 6211.31 through 6211.49 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

125. **6212.20-6212.90:** In the rule of origin applicable to subheading 6212.20-6212.90, replace “60.02” with “60.06”, as follows:

A change to subheading 6212.20 through 6212.90 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 and sewn or otherwise assembled in the territory of one or more of the Parties.

126. **62.13-62.17:** In the rule of origin applicable to heading 62.13-62.17, replace “60.02” with “60.06”, as follows:

A change to subheading 62.13 through 62.17 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 and sewn or otherwise assembled in the territory of one

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or more of the Parties.

127. **63.01-63.02:** In the rule of origin applicable to heading 63.01-63.02, replace “60.02” with “60.06”, as follows:

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 through 55, or heading 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 more of the Parties.

128. **63.03:** In the rules of origin applicable to tariff item 6303.92.aa and heading 63.03, replace “60.02” with “60.06”, as follows:

6303.92.aa A change to tariff item 6303.92.aa from tariff item 5402.43.aa or 5402.52.aa, or 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 through 55, or heading 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 more of the Parties.

63.03 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 through 55, or heading 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 more of the Parties.

129. **63.04-63.10:** In the rule of origin applicable to heading 63.04-63.10, replace “60.02” with “60.06”, as follows:

A change to heading 63.04 through 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 through 55 or heading 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 more of the Parties.

130. **66.01:** In the rule of origin applicable to heading 66.01, replace “60.02” with “60.06”, as follows:

A change to heading 66.01 from any heading, except from a combination of both:

- (a) subheading 6603.20; and
- (b) heading 39.20 through 39.21, 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, 56.02 through

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56.03, 58.01 through 58.11, 59.01 through 59.11, 60.01 through 60.06.

131. **6812.10:** Delete subheading 6812.10 and the rule of origin applicable thereto.
132. **6812.20:** Delete subheading 6812.20 and the rule of origin applicable thereto.
133. **6812.30-6812.40:** Delete subheading 6812.30-6812.40 and the rule of origin applicable thereto.
134. **6812.60-6812.90:** Delete the rule of origin applicable to subheading 6812.60-6812.90 and replace with the following:

A change to fabricated asbestos fibers or mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate of subheading 6812.90 from any other chapter;

A change to yarn and thread of subheading 6812.90 from any other good of subheading 6812.90 or any other subheading;

A change to cords and string, whether or not plaited, of subheading 6812.90 from any other good of subheading 6812.90 or from any other subheading, except from woven or knitted fabric of subheading 6812.90;

A change to woven or knitted fabric of subheading 6812.90 from any other good of subheading 6812.90 or any other subheading, except from cords and string, whether or not plaited, of subheading 6812.90; or

A change to any other good of subheading 6812.60 through 6812.90 from fabricated asbestos fibers or mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate, yarn and thread, cords and string, whether or not plaited, or woven or knitted fabric of subheading 6812.90 or from any subheading outside that group.

135. **8101.10-8101.91:** Delete subheading 8101.10-8101.91 and the rule of origin applicable thereto and replace with the following:

8101.10-8101.94 A change to subheading 8101.10 through 8101.94 from any other chapter.

136. **8101.92:** Delete subheading 8101.92 and the rule of origin applicable thereto and replace with the following:

8101.95 A change to subheading 8101.95 from any other subheading.

137. **8101.93:** Delete subheading 8101.93 and the rule of origin applicable thereto and replace with the following:

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	8101.96-8101.97 A change to subheading 8101.96 through 8101.97 from any other chapter.
138.	8102.10-8102.91: Delete subheading 8102.10-8102.91 and the rule of origin applicable thereto and replace with the following:
	8102.10-8102.94 A change to subheading 8102.10 through 8102.94 from any other chapter.
139.	8102.92: Delete subheading 8102.92 and the rule of origin applicable thereto and replace with the following:
	8102.95 A change to subheading 8102.95 from any other subheading.
	In the <u>Tariff Items for NAFTA</u> , delete tariff item 8102.92.aa, “Bars and rods”, and replace with tariff item 8102.95.aa, “Bars and rods”.
140.	8102.93: Delete subheading 8102.93 and the rule of origin applicable thereto and replace with the following:
	8102.96 A change to subheading 8102.96 from any other subheading, except from tariff item 8102.95.aa.
	8102.97 A change to subheading 8102.97 from any other chapter.
141.	8103.10: Delete subheading 8103.10 and the rule of origin applicable thereto and replace with the following:
	8103.20-8103.30 A change to subheading 8103.20 through 8103.30 from any other chapter.
142.	8105.10: Delete subheading 8105.10 and the rule of origin applicable thereto and replace with the following:
	8105.20-8105.30 A change to subheading 8105.20 through 8105.30 from any other chapter.
143.	8107.10: Delete subheading 8107.10 and the rule of origin applicable thereto and replace with the following:
	8107.20-8107.30 A change to subheading 8107.20 through 8107.30 from any other chapter.
144.	8108.10: Delete subheading 8108.10 and the rule of origin applicable thereto and replace with the

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following:

8108.20-8108.30 A change to subheading 8108.20 through 8108.30 from any other chapter.

145. **8109.10:** Delete subheading 8109.10 and the rule of origin applicable thereto and replace with the following:

8109.20-8109.30 A change to subheading 8109.20 through 8109.30 from any other chapter.

146. **8415.10:** Delete the rule of origin applicable to subheading 8415.10 and replace with the following:

A change to self-contained window or wall type air conditioning machines of subheading 8415.10 from any other subheading, except from tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing;

A change to “split-systems” of subheading 8415.10 from any other subheading, except from subheading 8415.20 through 8415.83, tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing; or

A change to “split-systems” of subheading 8415.10 from tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing, whether or not there is also a change from subheading 8415.20 through 8415.83, provided there is a regional value content of not less than:

(a) 60 percent where the transaction value method is used, or

(b) 50 percent where the net cost method is used.

147. **8415.20-8415.83**:** Delete the rules of origin applicable to subheading 8415.20-8415.83 and replace with the following:

A change to subheading 8415.20 through 8415.83 from any subheading outside that group, except from split systems of subheading 8415.10, tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing; or

A change to subheading 8415.20 through 8415.83 from tariff item 8415.90.aa or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing, whether or not there is also a change from any subheading outside that group, except from split systems of subheading 8415.10, provided there is a

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regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

**If the good of subheading 8415.20 is for use in a motor vehicle of Chapter 87, the provisions of Article 403 may apply.

148. **8461.10:** Delete tariff item 8461.10.aa and subheading 8461.10 and the rules of origin applicable thereto. In the Tariff Items for NAFTA, delete tariff item 8461.10.aa, “Numerically controlled”.

149. **8467.11-8467.89:** Delete subheading 8467.11-8467.89 and the rules of origin applicable thereto and replace with the following:

8467.11-8467.19 A change to subheading 8467.11 through 8467.19 from any other heading; or

A change to subheading 8467.11 through 8467.19 from subheading 8467.91 or 8467.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8467.21-8467.29 A change to subheading 8467.21 through 8467.29 from any subheading outside that group, except from heading 85.01 or housings of subheading 8467.91 or 8467.99; or

A change to subheading 8467.21 through 8467.29 from heading 85.01 or housings of subheading 8467.91 or 8467.99, whether or not there is also a change from any subheading outside that group, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8467.81-8467.89 A change to subheading 8467.81 through 8467.89 from any other heading; or

A change to subheading 8467.81 through 8467.89 from subheading 8467.91 or 8467.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

150. **8508.10-8508.80:** Delete subheading 8508.10-8508.80 and the rules of origin applicable thereto.
151. **8508.90:** Delete subheading 8508.90 and the rule of origin applicable thereto. In the Tariff Items for NAFTA, delete tariff item 8508.90.aa, “Housings”.
152. **8527.90.aa:** In the Tariff Items for NAFTA, delete tariff item 8527.90.aa, “Paging alert devices”.
153. **8528.12.dd:** In the first rule of origin applicable to tariff item 8528.12.dd, replace tariff item “8542.13.aa, 8542.14.aa or 8542.19.aa” with “8542.21.aa”, as follows:

A change to tariff item 8528.12.dd from tariff item 8528.12.gg or any other heading, except from tariff item 8540.11.cc, 8540.11.dd or 8540.91.aa. In addition, no more than half the number of semiconductors of tariff item 8542.21.aa, used in the television receiver component, may be non-originating; or

A change to tariff item 8528.12.dd from tariff item 8528.12.gg or any other heading, except from tariff item 8540.11.cc, 8540.11.dd or 8540.91.aa. In addition, the regional value content must be not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

In the Tariff Items for NAFTA, delete tariff item 8542.13.aa, 8542.14.aa and 8542.19.aa, “Monolithic integrated circuits for high definition television, having greater than 100,000 gates”, and replace with tariff item 8542.21.aa, “Monolithic integrated circuits for high definition television, having greater than 100,000 gates”.

154. **8528.12.ee:** In the first rule of origin applicable to tariff item 8528.12.ee, replace tariff item “8542.13.aa, 8542.14.aa or 8542.19.aa” with “8542.21.aa”, as follows:

A change to tariff item 8528.12.ee from tariff item 8528.12.gg or any other heading, except from tariff item 8540.12.bb or 8540.91.aa. In addition, no more than half the number of semiconductors of tariff item 8542.21.aa, used in the television receiver component, may be non-originating; or

A change to tariff item 8528.12.ee from tariff item 8528.12.gg or any other heading, except from tariff item 8540.12.bb or 8540.91.aa. In addition, the regional value content must be not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

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#**

Rule modification

155. **8528.21.dd:** In the first rule of origin applicable to tariff item 8528.21.dd, replace tariff item “8542.13.aa, 8542.14.aa or 8542.19.aa” with “8542.21.aa”, as follows:

A change to tariff item 8528.21.dd from tariff item 8528.21.gg or any other heading, except from tariff item 8540.11.cc, 8540.11.dd or 8540.91.aa. In addition, no more than half the number of semiconductors of tariff item 8542.21.aa, used in the video monitor component, may be non-originating; or

A change to tariff item 8528.21.dd from tariff item 8528.21.gg or any other heading, except from tariff item 8540.11.cc, 8540.11.dd or 8540.91.aa. In addition, the regional value content must be not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

156. **8528.21.ee:** In the first rule of origin applicable to tariff item 8528.21.ee, replace tariff item “8542.13.aa, 8542.14.aa or 8542.19.aa” with “8542.21.aa”, as follows:

A change to tariff item 8528.21.ee from tariff item 8528.21.gg or any other heading, except from tariff item 8540.12.bb or 8540.91.aa. In addition, no more than half the number of semiconductors of tariff item 8542.21.aa, used in the video monitor component, may be non-originating; or

A change to tariff item 8528.21.ee from tariff item 8528.21.gg or any other heading, except from tariff item 8540.12.bb or 8540.91.aa. In addition, the regional value content must be not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

157. **8528.30.ee:** In the first rule of origin applicable to tariff item 8528.30.ee, replace tariff item “8542.13.aa, 8542.14.aa or 8542.19.aa” with “8542.21.aa”, as follows:

A change to tariff item 8528.30.ee from tariff item 8528.30.gg or any other heading, except from tariff item 8540.12.bb or 8540.91.aa. In addition, no more than half the number of semiconductors of tariff item 8542.21.aa, used in the video projector component, may be non-originating; or

A change to tariff item 8528.30.ee from tariff item 8528.30.gg or any other heading, except from tariff item 8540.12.bb or 8540.91.aa. In addition, the regional value content must be not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

Enclosure 2 - Part 1–Continued
Proposed Modifications to Annexes 401 and 403.1

**Item
#**

Rule modification

158. **8531.80.aa:** Delete tariff item 8531.80.aa and the rule of origin applicable thereto. In the Tariff Items for NAFTA, delete tariff item 8531.80.aa, “Paging alert devices”.
159. **8541.10-8542.90:** In the Note applicable to subheading 8541.10-8542.90, replace “8542.12 through 8542.50” with “8542.10 through 8542.70”, delete the rule of origin applicable to subheading 8541.10-8542.90 and replace with the following:

***Note:** Notwithstanding Article 411 (Transshipment), a good provided for in subheading 8541.10 through 8541.60 or 8542.10 through 8542.70 qualifying under the rule below as an originating good may undergo further production outside the territory of the Parties and, when imported into the territory of a Party, will originate in the territory of a Party, provided that such further production did not result in a change to a subheading outside of that group.*

No required change in tariff classification to any of subheading 8541.10 through 8542.90.

160. **Note 3 to Chapter 90:** In the chapeau to Note 3, delete tariff item 9009.90.aa and replace with tariff item 9009.99.aa, as follows:

***Note 3:** Tariff item 9009.99.aa covers the following parts for photocopying apparatus of subheading 9009.12:*

- a. imaging assemblies, incorporating more than one of the following: photoreceptor belt or cylinder; toner receptacle unit; toner distribution unit; developer receptacle unit; developer distribution unit; charge/discharge unit; cleaning unit;*
- b. optics assemblies, incorporating more than one of the following: lens; mirror; illumination source; document exposure glass;*
- c. user control assemblies, incorporating more than one of the following: printed circuit assembly; power supply; user input keyboard; wiring harness; display unit (cathode-ray type or flat panel);*
- d. image fixing assemblies, incorporating more than one of the following: fuser; pressure roller; heating element; release oil dispenser; cleaning unit; electrical control;*
- e. paper handling assemblies, incorporating more than one of the following: paper transport belt; roller; print bar; carriage; gripper roller; paper storage unit; exit tray; or*
- f. combinations of the above specified assemblies.*

Enclosure 2 - Part 1–Continued
Proposed Modifications to Annexes 401 and 403.1

**Item
#**

Rule modification

In the Tariff Items for NAFTA, delete tariff item 9009.90.aa, “Parts of photocopying apparatus of subheading 9009.12 specified in Note 3 to Chapter 90”, and replace with tariff item 9009.99.aa, “Parts of photocopying apparatus of subheading 9009.12 specified in Note 3 to Chapter 90”.

161. **9009.12:** In the rule of origin applicable to subheading 9009.12, delete tariff item “9009.90.aa” and replace with “9009.99.aa”, as follows:

A change to subheading 9009.12 from any other tariff item, except from tariff item 9009.99.aa.

162. **9009.90:** Delete tariff item 9009.90.aa and subheading 9009.90 and the rules of origin applicable thereto and replace with the following:

9009.91-9009.93 A change to subheading 9009.91 through 9009.93 from any other heading.

9009.99

9009.99.aa A change to tariff item 9009.99.aa from subheading 9009.91, 9009.92 or 9009.93, tariff item 9009.99.bb or any other heading, provided that at least one of the components of such assembly named in Note 3 to Chapter 90 is originating.

9009.99 A change to subheading 9009.99 from any other heading.

In the Tariff Items for NAFTA, delete tariff item 9009.90.bb, “Other”, and replace with tariff item 9009.99.bb, “Other”.

163. **9112.10-9112.80:** Delete subheading 9112.10-9112.80 and the rule of origin applicable thereto and replace with the following:

9112.20 A change to subheading 9112.20 from subheading 9112.90 or any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
(b) 50 percent where the net cost method is used.

Enclosure 2 - Part 2
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
164	1806.10.aa	1806.10.10	1806.10.43 1806.10.45 1806.10.55 1806.10.65 1806.10.75	1806.10.01	Containing 90 percent or more by weight of sugar
165	1901.10.aa	1901.10.20	1901.10.05 1901.10.15 1901.10.30 1901.10.35 1901.10.40 1901.10.45	1901.10.01	Containing over 10 percent by weight of milk solids
166	1901.20.aa	1901.20.11 1901.20.12 1901.20.21 1901.20.22	1901.20.02 1901.20.05 1901.20.15 1901.20.20 1901.20.25 1901.20.30 1901.20.35 1901.20.40	1901.20.02	Containing over 25 percent by weight of butterfat, not put up for retail sale
167	1901.90.aa	1901.90.31 1901.90.32 1901.90.33 1901.90.34 1901.90.39 1901.90.51 1901.90.52 1901.90.53 1901.90.54 1901.90.59	1901.90.32 1901.90.33 1901.90.34 1901.90.36 1901.90.38 1901.90.42 1901.90.43	1901.90.03 1901.90.04+ 1901.90.05+	Dairy preparations containing over 10 percent by weight of milk solids
168	2008.11.aa	2008.11.20	2008.11.22 2008.11.25 2008.11.35	2008.11.01	Peanuts, blanched
169	2101.11.aa	2101.11.10	2101.11.21	2101.11.01	Instant coffee, not flavoured
170	2103.20.aa	2103.20.10	2103.20.20	2103.20.01	Ketchup

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description																	
171	2106.90.bb	2106.90.91	2106.90.48 2106.90.52	2106.90.06	Concentrated fruit or vegetable juices, fortified with minerals or vitamins: Of any single fruit or vegetable																	
	2106.90.cc	2106.90.92	2106.90.54	2106.90.07	Of mixtures of fruit or vegetable juices																	
	2106.90.dd	2106.90.31 2106.90.32 2106.90.33 2106.90.34 2106.90.35 2106.90.93 2106.90.94 2106.90.95	2106.90.03 2106.90.06 2106.90.09 2106.90.22 2106.90.24 2106.90.26 2106.90.28 2106.90.62 2106.90.64 2106.90.66 2106.90.68 2106.90.72 2106.90.74 2106.90.76 2106.90.78 2106.90.80 2106.90.82	2106.90.08	Containing over 10 percent by weight of milk solids																	
						2106.90.ee	2106.90.96	2106.90.12 2106.90.15 2106.90.18	2106.90.10 2106.90.11	Compound preparations, with an alcoholic strength exceeding 0.5 percent by volume, of a kind used in the manufacture of beverages												
						172	2202.90.aa	2202.90.31	2202.90.30 2202.90.35 2202.90.36	2202.90.02	Fruit or vegetable juices, fortified with minerals or vitamins: Of any single fruit or vegetable											
							2202.90.bb	2202.90.32	2202.90.37	2202.90.03	Of mixtures of fruit or vegetable juices											
							2202.90.cc	2202.90.41 2202.90.42 2202.90.43 2202.90.49	2202.90.10 2202.90.22 2202.90.24 2202.90.28	2202.90.04	Beverages containing milk											
						173						2309.90.aa	2309.90.31 2309.90.32 2309.90.33 2309.90.35 2309.90.36	2309.90.22 2309.90.24 2309.90.28	2309.90.10 2309.90.11	Containing over 10 percent by weight of milk solids						
																	174	2401.10.aa	2401.10.10	2401.10.21	2401.10.01	Wrapper tobacco

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
175	2401.20.aa	2401.20.10	2401.20.14	2401.20.02	Wrapper tobacco
176	2403.91.aa	2403.91.10	2403.91.20	2403.91.01	Of a kind used as wrapper tobacco
177	2905.49.aa	2905.49.10	2905.49.20	2905.49.02	Esters of glycerol formed with acids of heading 29.04
178	4008.19.aa	4008.19.10	4008.19.20 4008.19.60	4008.19.01	Profile shapes
179	4008.29.aa	4008.29.10	4008.29.20	4008.29.01	Profile shapes
180	4010.29.aa 4010.39.aa	4010.29.10 4010.39.10	4010.29.10 4020.29.20 4010.39.10 4010.39.20	4010.29.01 4010.39.01	Endless transmission belts (V-belts)
181	4012.20.aa	4012.20.20	4012.20.15 4012.20.60	4012.20.01	Of a kind used on vehicles, including tractors, for the on-highway transport of passengers or goods, or on vehicles of heading 87.05
182	4016.93.aa	4016.93.10	4016.93.10	4016.93.01+ 4016.93.02+ 4016.93.04	Of a kind for use in automotive goods of Chapter 87
183	4016.99.aa	4016.99.30	4016.99.30 4016.99.55	4016.99.10	Vibration control goods of a kind used in the vehicles of heading 87.01 through 87.05
184	4105.10.aa+ 4105.19.aa	4105.10.21+ 4105.10.29+ 4105.19.11 4105.19.19	4105.10.10+ 4105.19.10	4105.10.03+ 4105.19.01	Wet blue
185	4106.19.aa 4106.21.aa+	4106.19.11 4106.19.19 4106.21.21+ 4106.21.29+	4106.19.20 4106.21.10+	4106.19.01 4106.21.03+	Wet blue
186	4106.31.aa+ 4107.10.aa	4106.31.10+ 4107.10.10	4106.31.10+ 4107.10.20	4106.31.01+ 4107.10.01	Wet blue
187	5402.43.aa	5402.43.10	5402.43.10	5402.43.01	Wholly of polyester, measuring not less than 75 decitex but not more than 80 decitex, and having 24 filaments per yarn
188	5402.52.aa	5402.52.10	5402.52.10	5402.52.02	Wholly of polyester, measuring not less than 75 decitex but not more than 80 decitex, and having 24 filaments per yarn
189	5407.61.aa	5407.61.11 5407.61.19	5407.61.11 5407.61.21 5407.61.91	5407.61.01	Wholly of polyester, of single yarns measuring not less than 75 decitex but not more than 80 decitex, having 24 filaments per yarn and with a twist of 900 or more turns per meter

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
190	5408.22.aa	5408.22.11 5408.22.21 5408.22.29	5408.22.10	5408.22.04	Of cuprammonium rayon
191	5408.23.aa	5408.23.10	5408.23.11 5408.23.21	5408.23.05	Of cuprammonium rayon
192	5408.24.aa	5408.24.11 5408.24.19	5408.24.10	5408.24.01	Of cuprammonium rayon
193	5903.10.aa	5903.10.21 5903.10.29	5903.10.15 5903.10.18 5903.10.20 5903.10.25	5903.10.01	Of man-made fibers
194	5903.20.aa	5903.20.21 5903.20.22 5903.20.23 5903.20.29	5903.20.15 5903.20.18 5903.20.20 5903.20.25	5903.20.01	Of man-made fibers
195	5903.90.aa	5903.90.21 5903.90.29	5903.90.15 5903.90.18 5903.90.20 5903.90.25	5903.90.02	Of man-made fibers
196	5906.99.aa	5906.99.21 5906.99.22 5906.99.29	5906.99.20 5906.99.25	5906.99.03	Of man-made fibers
197	5907.00.aa	5907.00.12 5907.00.15	5907.00.05 5907.00.15 5907.00.60	5907.00.06	Of man-made fibers
198	6002.92.aa	6002.92.10	6002.92.10	6002.92.01	Circular knit, wholly of cotton yarns exceeding 100 metric number per single yarn
199	6006.21.aa+	6006.21.10+	6006.21.10+	6006.21.01+	Circular knit, wholly of cotton yarns exceeding 100 metric number per single yarn+
200	6006.22.aa+	6006.22.10+	6006.22.10+	6006.22.01+	Circular knit, wholly of cotton yarns exceeding 100 metric number per single yarn+
201	6006.23.aa+	6006.23.20+	6006.23.10+	6006.23.01+	Circular knit, wholly of cotton yarns exceeding 100 metric number per single yarn+
202	6006.24.aa+	6006.24.10+	6006.24.10+	6006.24.01+	Circular knit, wholly of cotton yarns exceeding 100 metric number per single yarn+
203	6103.19.aa	6103.19.90	6103.19.60 6103.19.90	6103.19.02 6103.19.99	Of textile materials other than artificial fibers or cotton

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
204	6103.39.aa	6103.39.90	6103.39.40 6103.39.80	6103.39.02 6103.39.99	Of other than artificial fibers
205	6104.19.aa	6104.19.90	6104.19.40 6104.19.80	6104.19.02 6104.19.03+ 6104.19.99	Of other than artificial fibers
206	6104.39.aa	6104.39.90	6104.39.20	6104.39.02 6104.39.99	Of other than artificial fibers
207	6104.59.aa	6104.59.90	6104.59.40 6104.59.80	6104.59.02 6104.59.99	Of other than artificial fibers
208	6203.19.aa	6203.19.90	6203.19.50 6203.19.90	6203.19.02 6203.19.99	Of other than cotton or artificial fibers
209	6203.39.aa	6203.39.90	6203.39.50 6203.39.90	6203.39.02 6203.39.03+ 6203.39.99	Of other than artificial fibers
210	6204.19.aa	6204.19.90	6204.19.40 6204.19.80	6204.19.02 6204.19.03+ 6204.19.99	Of other than artificial fibers
211	6204.39.aa	6204.39.90	6204.39.60 6204.39.80	6204.39.02 6204.39.03+ 6204.39.99	Of other than artificial fibers
212	6204.59.aa	6204.59.90	6204.59.40	6204.59.02 6204.59.04 6204.59.05+ 6204.59.99	Of other than artificial fibers
213	6303.92.aa	6303.92.10	6303.92.10	6303.92.01	Made up from fabrics described in tariff item 5407.61.aa
214	6701.00.aa	6701.00.10	6701.00.30	6701.00.01 6701.00.02	Articles of feathers or down
215	7011.20.aa	7011.20.10	7011.20.10	7011.20.02 7011.20.03	Cones
216	7101.10.aa	7101.10.10	7101.10.30	7101.10.01	Graded and temporarily strung for convenience of transport
217	7101.22.aa	7101.22.10	7101.22.30	7101.22.01	Graded and temporarily strung for convenience of transport
218	7304.41.aa	7304.41.11 7304.41.19	7304.41.30	7304.41.02	Of an external diameter of less than 19 mm
219	7321.11.aa	7321.11.10	7321.11.30	7321.11.02	Stoves or ranges (other than portable)

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
220	7321.90.aa 7321.90.bb 7321.90.cc	7321.90.21 7321.90.22 7321.90.23	7321.90.10 7321.90.20 7321.90.40	7321.90.05 7321.90.06 7321.90.07	Parts: Of stoves or ranges (other than portable): Cooking chambers, whether or not assembled Top surface panels with or without burners or control Door assemblies, incorporating more than one of the following: inner panel, outer panel, window, insulation
221	7404.00.aa	7404.00.10 7404.00.20 7404.00.91	7404.00.30	7404.00.02	Spent anodes; waste and scrap with a copper content of less than 94 percent by weight
222	7407.10.aa	7407.10.11 7407.10.12	7407.10.15	7407.10.02	Hollow profiles
223	7407.21.aa	7407.21.21 7407.21.22	7407.21.15	7407.21.02	Hollow profiles
224	7407.22.aa	7407.22.11 7407.22.12	7407.22.15	7407.22.02	Hollow profiles
225	7407.29.aa	7407.29.11 7407.29.12	7407.29.15	7407.29.03	Hollow profiles
226	7408.11.aa	7408.11.11 7408.11.12	7408.11.60	7408.11.01	With a maximum cross-sectional dimension not exceeding 9.5 mm
227	7506.10.aa	7506.10.10	7506.10.45	7506.10.01	Foil, not exceeding 0.15 mm in thickness
228	7506.20.aa	7506.20.10	7506.20.45	7506.20.01	Foil, not exceeding 0.15 mm in thickness
229	8102.92.aa 8102.95.aa+	8102.92.10 8102.95.10+	8102.92.30 8102.95.00+	8102.92.01 8102.95.01+	Bars and rods
230	8111.00.aa	8111.00.21 8111.00.22 8111.00.40	8111.00.60	8111.00.01	Manganese powders and articles of manganese

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
231	8406.90.aa	8406.90.22 8406.90.33 8406.90.34	8406.90.20 8406.90.50	8406.90.01	Rotors, finished for final assembly
	8406.90.bb	8406.90.23 8406.90.36 8406.90.37	8406.90.40 8406.90.70	8406.90.02	Blades, rotating or stationary
	8406.90.cc	8406.90.21 8406.90.31 8406.90.32	8406.90.30 8406.90.60	8406.90.03	Rotors, not further advanced than cleaned or machined for removal of fins, gates, sprues, and risers, or to permit location in finishing machinery
232	8407.34.aa	8407.34.10	8407.34.05 8407.34.14 8407.34.18 8407.34.25	8407.34.02	Engines of a cylinder capacity exceeding 1000 cc but not exceeding 2000 cc
	8407.34.bb	8407.34.21 8407.34.29	8407.34.35 8407.34.44 8407.34.48 8407.34.55	8407.34.99	Engines of a cylinder capacity exceeding 2000 cc
233	8414.59.aa	see 8414.80.aa	8414.59.30	see 8414.80.aa	Turbochargers and superchargers for motor vehicles, where not provided for under subheading 8414.80
234	8414.80.aa	8414.80.10	8414.80.05	8414.80.14	Turbochargers and superchargers for motor vehicles, where not provided for under subheading 8414.59
235	8414.90.aa	8414.90.10	8414.90.30	8414.90.04	Stators and rotors of goods of subheading 8414.30
236	8415.90.aa	8415.90.11 8415.90.21 8415.90.22	8415.90.40	8415.90.01	Chassis, chassis bases and outer cabinets
237	8418.99.aa	8418.99.10	8418.99.40	8418.99.04	Door assemblies incorporating more than one of the following: inner panel; outer panel; insulation; hinges; handles
238	8421.39.aa	8421.39.20	8421.39.40	8421.39.08	Catalytic converters
239	8421.91.aa	8421.91.10	8421.91.20	8421.91.02	Drying chambers for the goods of subheading 8421.12 and other parts of clothes-dryers incorporating drying chambers
	8421.91.bb	8421.91.20	8421.91.40	8421.91.03	Furniture designed to receive the goods of subheading 8421.12

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
240	8422.90.aa	8422.90.10	8422.90.02	8422.90.03	Water containment chambers for the goods of subheading 8422.11 and other parts of dishwashing machines of the household type incorporating water containment chambers
	8422.90.bb	8422.90.20	8422.90.04	8422.90.04	Door assemblies for the goods of subheading 8422.11
241	8427.10.aa	8427.10.10	8427.10.40	8427.10.01 8427.10.02 8427.10.03 8427.10.04	Rider-type, counterbalanced fork-lift trucks
242	8427.20.aa	8427.20.11 8427.20.19	8427.20.40	8427.20.04 8427.20.05	Rider-type, counterbalanced fork-lift trucks
243	8450.90.aa	8450.90.10	8450.90.20	8450.90.01	Tubs and tub assemblies
	8450.90.bb	8450.90.20	8450.90.40	8450.90.02	Furniture designed to receive the goods of subheading 8450.11 through 8450.20
244	8451.90.aa	8451.90.10	8451.90.30	8451.90.01	Drying chambers for the goods of subheading 8451.21 or 8451.29 and other parts of drying machines incorporating drying chambers
	8451.90.bb	8451.90.20	8451.90.60	8451.90.02	Furniture designed to receive the goods of subheading 8451.21 or 8451.29
245	8455.90.aa	8455.90.10	8455.90.40	8455.90.01	Castings or weldments, individually weighing less than 90 tons, for the machines of heading 84.55
246	8459.70.aa	8459.70.10	8459.70.40	8459.70.02	Numerically controlled
247	8460.40.aa	8460.40.10	8460.40.40	8460.40.02	Numerically controlled
248	8460.90.aa	8460.90.10	8460.90.40	8460.90.01	Numerically controlled
249	8461.10.aa	8461.10.10	8461.10.40	8461.10.01	Numerically controlled
250	8461.20.aa	8461.20.10	8461.20.40	8461.20.01	Numerically controlled
251	8461.30.aa	8461.30.10	8461.30.40	8461.30.01	Numerically controlled
252	8461.50.aa	8461.50.11 8461.50.19	8461.50.40	8461.50.01	Numerically controlled
253	8461.90.aa	8461.90.10	8461.90.30 8461.90.40	8461.90.02	Numerically controlled
254	8462.91.aa	8462.91.10	8462.91.40	8462.91.01	Numerically controlled

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
255	8462.99.aa	8462.99.11 8462.99.19	8462.99.40	8462.99.01	Numerically controlled
256	8466.93.aa	8466.93.10	8466.93.15 8466.93.30 8466.93.47 8466.93.53	8466.93.04	Bed, base, table, head, tail, saddle, cradle, cross slide, column, arm, saw arm, wheelhead, tailstock, headstock, ram, frame, work-arbor support, and C-frame castings, weldments or fabrications
257	8466.94.aa	8466.94.10	8466.94.20 8466.94.55 8466.94.65	8466.94.01	Bed, base, table, column, cradle, frame, bolster, crown, slide, rod, tailstock and headstock castings, weldments or fabrications

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
258	8471.49.aa	8471.49.10	8471.49.10	See Note 2 to Chapter 84 and Note to 8471.49	Digital processing units other than those of subheadings 8471.41 and 8471.50, whether or not containing in the same housing one or two of the following types of unit: storage units, input units, output units
	8471.49.bb	8471.49.41	8471.49.26		Color cathode-ray tube monitors
	8471.49.cc	8471.49.31	8471.49.31		Printer units: Laser printers capable of producing more than 20 pages per minute
	8471.49.dd	8471.49.32	8471.49.32		Other laser printers
	8471.49.ee	8471.49.33	8471.49.33		Light bar type electronic
	8471.49.ff	8471.49.34	8471.49.34		Ink jet
	8471.49.gg	8471.49.35	8471.49.35		Thermal transfer
	8471.49.hh	8471.49.36	8471.49.36		Ionographic
	8471.49.ii	8471.49.20	8471.49.15		Combined input/output units
	8471.49.jj	8471.49.49	8471.49.29		Display units with monochrome cathode-ray tubes; display units with flat panels exceeding 30.5 cm; other display units excluding display units with color cathode-ray tubes
	8471.49.kk	8471.49.42	8471.49.24		Display units without a cathode-ray tube having a display diagonal not exceeding 30.5 cm
	8471.49.ll	8471.49.51	8471.49.42		Optical scanners and magnetic ink recognition devices
	8471.49.mm	8471.49.59	8471.49.48		Other input or output units
	8471.49.nn	8471.49.60	8471.49.50		Storage units
	8471.49.oo	8471.49.71	8471.49.60		Other control or adapter units
	8471.49.pp	8471.49.72	8471.49.85		Other units suitable for physical incorporation into automatic data processing machines or units thereof
	38471.49.qq	8471.49.79	8471.49.70		Separately housed power supplies

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
259	8471.60.aa	8471.60.31	8471.60.35	8471.60.02	Color cathode-ray tube monitors
	8471.60.bb	8471.60.21	8471.60.51 8471.60.61	8471.60.03	Printer units: Laser: Capable of producing more than 20 pages per minute
	8471.60.cc	8471.60.22	8471.60.52 8471.60.62	8471.60.08	Other
	8471.60.dd	8471.60.23	8471.60.53 8471.60.63	8471.60.04	Light bar type electronic
	8471.60.ee	8471.60.24	8471.60.54 8471.60.64	8471.60.05	Ink jet
	8471.60.ff	8471.60.25	8471.60.55 8471.60.65	8471.60.06	Thermal transfer
	8471.60.gg	8471.60.26	8471.60.56 8471.60.66	8471.60.07	Ionographic
	8471.60.hh	8471.60.10	8471.60.10	8471.60.09	Combined input/output units
	8471.60.ii	8471.60.39	8471.60.45	8471.60.10	Display units with monochrome cathode-ray tubes; display units with flat panels exceeding 30.5 cm; other display units excluding display units with color cathode-ray tubes
	8471.60.jj	8471.60.32	8471.60.30	8471.60.11	Display units without a cathode-ray tube having a visual display diagonal not exceeding 30.5 cm
	8471.60.kk	8471.60.40	8471.60.80	8471.60.12	Optical scanners and magnetic ink recognition devices
	8471.60.ll	8471.60.50 8471.60.90	8471.60.70 8471.60.90	8471.60.99	Other input or output units
260	8471.80.aa	8471.80.10	8471.80.10	8471.80.03	Control or adapter units
	8471.80.cc	8471.80.91	8471.80.40	8471.80.01	Other units suitable for physical incorporation into automatic data processing machines or units thereof
261	8473.10.aa	8473.10.11	8473.10.20 8473.10.40	8473.10.01	Parts for word processing machines of heading 84.69
	8473.10.bb	8473.10.12	8473.10.60	8473.10.99	Parts of other machines of heading 84.69

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
262	8473.30.aa	8473.30.20	8473.30.10	8473.30.02	Printed circuit assemblies
	8473.30.bb	8473.30.30	8473.30.20	8473.30.04	Parts and accessories, including face plates and lock latches, of printed circuit assemblies
	8473.30.cc	8473.30.10	8473.30.30 8473.30.60	8473.30.03	Other parts for printers of subheading 8471.60, specified in Note 3 of Chapter 84
263	8473.50.aa	8473.50.10	8473.50.30	8473.50.01	Printed circuit assemblies
	8473.50.bb	8473.50.20	8473.50.60	8473.50.02	Parts and accessories, including face plates and lock latches, of printed circuit assemblies
264	8477.90.aa	8477.90.10	8477.90.15 8477.90.25	8477.90.01	Base, bed, platen, clamp cylinder, ram and injection castings, weldments, and fabrications
	8477.90.bb	8477.90.20	8477.90.35 8477.90.45	8477.90.02	Barrel screws
	8477.90.cc	8477.90.30	8477.90.55 8477.90.65	8477.90.03	Hydraulic assemblies incorporating more than one of the following: manifold, valves, pump, oil cooler
265	8479.89.aa	8479.89.41 8479.89.49	8479.89.55	8479.89.25	Trash compactors
266	8479.90.aa	8479.90.11	8479.90.45	8479.90.17	Frame assemblies incorporating more than one of the following: baseplate, side frames, power screws, front plates
	8479.90.bb	8479.90.12	8479.90.55	8479.90.15	Ram assemblies incorporating a ram wrapper and/or ram cover
	8479.90.cc	8479.90.13	8479.90.65	8479.90.07	Container assemblies incorporating more than one of the following: container bottom, container wrapper, slide track, container front
	8479.90.dd	8479.90.14	8479.90.75	8479.90.04	Cabinet or cases
267	8482.99.aa	8482.99.11 8482.99.19	8482.99.05 8482.99.15 8482.99.25	8482.99.01 8482.99.03 8482.99.04	Inner or outer rings or races
268	8483.50.aa	8483.50.20	8483.50.60	8483.50.02	Fly wheels
269	8501.32.aa	8501.32.20	8501.32.45	8501.32.06	Electric motors that provide primary source for electric powered vehicles of subheading 8703.90

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
270	8503.00.aa	8503.00.10	8503.00.35 8503.00.45 8503.00.65	8503.00.01 8503.00.03 8500.00.05	Stators and rotors for the goods of heading 85.01.
271	8504.40.aa	8504.40.30	8504.40.60 8504.40.70	8504.40.12 8504.40.14	Power supplies for the automatic data processing machines of heading 84.71
	8504.40.bb	8504.40.40	8504.40.40	8504.40.13	Speed drive controllers for electric motors
272	8504.90.aa	8504.90.10	8504.90.65 8504.90.75	8504.90.02 8504.90.07	Printed circuit assemblies for the goods of subheadings 8504.40 and 8504.90
	8504.90.bb	8504.90.20	8504.90.40	8504.90.08	Other parts of power supplies for automatic data processing machines of heading 84.71
273	8507.20.aa	8507.20.10	8507.20.40	8507.20.03	Batteries that provide primary source for electric cars.
274	8507.30.aa	8507.30.20	8507.30.40	8507.30.04	Batteries that provide primary source for electric cars
275	8507.40.aa	8507.40.10	8507.40.40	8507.40.04	Batteries that provide primary source for electric cars
276	8507.80.aa	8507.80.20	8507.80.40	8507.80.04	Batteries that provide primary source for electric cars
277	8508.90.aa	8508.90.10	8508.90.40	8508.90.04	Housings
278	8509.90.aa	8509.90.11 8509.90.12 8509.90.13	8509.90.05 8509.90.25 8509.90.45	8509.90.02	Housings
279	8516.60.aa	8516.60.20	8516.60.40	8516.60.02 8516.60.03	Ovens, cooking stoves and ranges

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
280	8516.90.aa	8516.90.10	8516.90.15	8516.90.05	Housings for the goods of subheading 8516.33
	8516.90.bb	8516.90.20	8516.90.25	8516.90.02	Housings and steel bases for the goods of subheading 8516.40
	8516.90.cc	8516.90.30	8516.90.35	8516.90.06	Assemblies for the goods of subheading 8516.50, incorporating more than one of the following: cooking chamber; structural supporting chassis; door; outer case
	8516.90.dd	8516.90.40	8516.90.45	8516.90.07	Printed circuit assemblies for the goods of subheading 8516.50
	8516.90.ee	8516.90.50	8516.90.55	8516.90.08	For the goods of tariff item 8516.60.aa: Cooking chambers whether or not assembled
	8516.90.ff	8516.90.60	8516.90.65	8516.90.09	Top surface panels with or without heating elements or controls
	8516.90.gg	8516.90.70	8516.90.75	8516.90.10	Door assemblies incorporating more than one of the following: inner panel; outer panel; window; insulation
	8516.90.hh	8516.90.81 8516.90.82	8516.90.85	8516.90.01	Housings for toasters
281	8517.19.aa	8517.19.10	8517.19.40	8517.19.03 8517.19.04	Videophones
282	8517.50.aa	8517.50.11	8517.50.10	8517.50.02	Modems, of a kind used with data processing machines of heading 84.71
	8517.50.bb	8517.50.31 8517.50.41	8517.50.50	8517.50.05	Telephonic
283	8517.80.aa	8517.80.10	8517.80.10	8517.80.01 8517.80.02 8517.80.03 8517.80.04 8517.80.99	Telephonic apparatus

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
284	8517.90.cc	8517.90.31	8517.90.04	8517.90.10	Parts of facsimile machines: Parts of facsimile machines specified in Note 2 to Chapter 85
	8517.90.hh	8517.90.39	8517.90.08	8517.90.11	Other
	8517.90.aa	8517.90.41	8517.90.12	8517.90.12	Other parts incorporating printed circuit assemblies: Parts for telephone sets
	8517.90.bb	8517.90.43 8517.90.44	8517.90.16 8517.90.24 8517.90.26 8517.90.32	8517.90.13	Parts for goods of subheadings 8517.22 and 8517.30 and tariff item 8517.50.bb or 8517.80.aa
	8517.90.dd	8517.90.42 8517.90.45 8517.90.46	8517.90.34	8517.90.14	Other
	8517.90.ee	8517.90.10	8517.90.36 8517.90.38 8517.90.44	8517.90.15	Other parts: Printed circuit assemblies
	8517.90.ff	8517.90.20	8517.90.48 8517.90.52 8517.90.56	8517.90.16	Parts, including face plates and lock latches, for printed circuit assemblies
	8517.90.gg	8517.90.91 8517.90.99	8517.90.58 8517.90.64 8517.90.66	8517.90.99	Other
285	8518.30.aa	8518.30.10	8518.30.10	8518.30.03	Telephone handsets
286	8522.90.aa	8522.90.10	8522.90.25 8522.90.45 8522.90.65	8522.90.07	Printed circuit assemblies for the apparatus provided for in headings 85.19, 85.20 and 85.21
287	8525.30.aa	8525.30.11 8525.30.12	8525.30.30	8525.30.01	Gyrostabilized television cameras
	8525.30.bb	8525.30.20	8525.30.60	8525.30.02	Studio television cameras, excluding shoulder-carried and other portable cameras
288	8527.90.aa	8527.90.94	see 8534.80.aa	8527.90.13	Paging alert devices

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
289	8528.12.aa	8528.12.91	8528.12.12 8528.12.16 8528.12.20 8528.12.24	8528.12.01	Non-high definition, having a single picture tube intended for direct viewing (non-projection type), with a video display diagonal not exceeding 14 inches (35.56 cm)
	8528.12.bb	8528.12.92 8528.12.93 8528.12.94	8528.12.28 8528.12.32	8528.12.02	Non-high definition, having a single picture tube intended for direct viewing (non-projection type), with a video display diagonal exceeding 14 inches (35.56 cm)
	8528.12.cc	8528.12.95	8528.12.36 8528.12.40	8528.12.03	Non-high definition, projection type, with cathode-ray tube
	8528.12.dd	8528.12.82	8528.12.44 8528.12.48	8528.12.04	High definition, non-projection type, with cathode-ray tube
	8528.12.ee	8528.12.81	8528.12.52 8528.12.56	8528.12.05	High definition, projection type, with cathode-ray tube
	8528.12.ff	8528.12.83 8528.12.96	8528.12.62 8528.12.64 8528.12.68 8528.12.72	8528.12.06	With flat panel screen
	8528.12.gg	8528.12.10	8528.12.04 8528.12.08	8528.12.07	Incomplete or unfinished (including assemblies for television receivers consisting of all the parts specified in Note 4 to Chapter 85 plus a power supply), not incorporating a cathode-ray tube, flat panel screen or similar display

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
290	8528.21.aa	8528.21.91	8528.21.16 8528.21.19 8528.21.24 8528.21.29	8528.21.01	Non-high definition, having a single picture tube intended for direct viewing (non-projection type), with a video display diagonal not exceeding 14 inches (35.56 cm)
	8528.21.bb	8528.21.92	8528.21.34 8528.21.39	8528.21.02	Non-high definition, having a single picture tube intended for direct viewing (non-projection type), with a video display diagonal exceeding 14 inches (35.56 cm)
	8528.21.cc	8528.21.93	8528.21.41 8528.21.42	8528.21.03	Non-high definition, projection type, with cathode-ray tube
	8528.21.dd	8528.21.82	8528.21.44 8528.21.49	8528.21.04	High definition, non-projection type, with cathode-ray tube
	8528.21.ee	8528.21.81	8528.21.51 8528.21.52	8528.21.05	High definition, projection type, with cathode-ray tube
	8528.21.ff	8528.21.83 8528.21.94	8528.21.55 8528.21.60 8528.21.65 8528.21.70	8528.21.06	With flat panel screen
	8528.21.gg	8528.21.10	8528.21.05 8528.21.10	8528.21.07	Incomplete or unfinished (including assemblies for video monitors consisting of the parts specified in subparagraphs (a), (b), (c) and (e) in Note 4 to Chapter 85 plus a power supply), not incorporating a cathode-ray tube, flat panel screen or similar display
291	8528.30.cc	8528.30.31	8528.30.30 8528.30.40	8528.30.03	Non-high definition, with cathode-ray tube
	8528.30.ee	8528.30.32	8528.30.50 8528.30.60	8528.30.04	High definition, with cathode-ray tube
	8528.30.ff	8528.30.21 8528.30.29	8528.30.62 8528.30.64 8528.30.66 8528.30.68	8528.30.01	With flat panel screen
	8528.30.gg	8528.30.10	8528.30.10 8528.30.20	8528.30.02 8528.30.99+	Incomplete or unfinished (including assemblies for video projectors consisting of the parts specified in subparagraphs (a), (b), (c) and (e) in Note 4 to Chapter 85 plus a power supply), not incorporating a cathode-ray tube, flat panel screen or similar display

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
292	8529.90.aa	8529.90.11 8529.90.12 8529.90.19	8529.90.01 8529.90.03 8529.90.06 8529.90.09 8529.90.13 8529.90.16 8529.90.19 8529.90.23	8529.90.06	Printed circuit assemblies for goods classified under heading 85.25 through 85.28
	8529.90.bb	8529.90.20	8529.90.26	8529.90.07	Transceiver assemblies for the apparatus of subheading 8526.10, not elsewhere specified
	8529.90.cc	8529.90.39	8529.90.29 8529.90.33 8529.90.36 8529.90.39	8529.90.08 8529.90.18+	Parts specified in Note 4 to Chapter 85, other than printed circuit assemblies classified under tariff item 8529.90.aa
	8529.90.dd	8529.90.31	8529.90.43 8529.90.46 8529.90.49	8529.90.09 8529.90.19+	Combinations of parts specified in Note 4 to Chapter 85
	8529.90.ee	8529.90.40	8529.90.53	8529.90.10	Flat panel screen assemblies for the goods of tariff item 8528.12.ff, 8528.21.ff or 8528.30.ff
	8529.90.ff	8529.90.50	8529.90.63 8529.90.69 8529.90.73 8529.90.76	8529.90.11	Parts, including face plates and lock latches, of printed circuit assemblies
	8529.90.gg	8529.90.61 8529.90.69	8529.90.78 8529.90.81 8529.90.83 8529.90.85	8529.90.12	Other parts of goods of headings 85.25 and 85.27 (except parts of cellular telephones)
293	8531.80.aa	see 8527.90.aa	8531.80.40	see 8527.90.aa	Paging alert devices
294	8531.90.aa	8531.90.10	[8531.90.40] [8531.90.15+]]	8531.90.02	Printed circuit assemblies
295	8533.40.aa	8533.40.10	8533.40.40	8533.40.05	Metal oxide varistors
296	8533.90.aa	8533.90.10	8533.90.40	8533.90.02	For the goods of subheading 8533.40, of ceramic or metallic materials, electrically or mechanically reactive to changes in temperature
297	8535.90.aa	8535.90.30	8535.90.40	8535.90.08 8535.90.20 8535.90.24	Motor starters and motor overload protectors

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Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
298	8536.30.aa	8536.30.10 8536.30.20 ^x	8536.30.40	8536.30.05	Motor overload protectors
299	8536.50.aa	8536.50.11 8536.50.12 8536.50.19	8536.50.40	8536.50.13 8536.50.14	Motor starters
300	8537.10.aa 8537.10.bb	8537.10.11 8537.10.21+ 8537.10.91 8537.10.21 ^x 8537.10.29	8537.10.30 8537.10.60	8537.10.05 8537.10.06	Assembled with outer housing or supports, for the goods of heading 84.21, 84.22, 84.50 or 85.16 Motor control centers
301	8538.90.aa 8538.90.bb 8538.90.cc	8538.90.10 8538.90.20 8538.90.31 8538.90.39	8538.90.40 8538.90.10 8538.90.30 8538.90.60	8538.90.04 8538.90.05 8538.90.06	For the goods of tariff item 8535.90.aa, 8536.30.aa or 8536.50.aa, of ceramic or metallic materials, electrically or mechanically reactive to changes in temperature Printed circuit assemblies Moulded parts
302	8540.11.aa 8540.11.bb 8540.11.cc 8540.11.dd	8540.11.22 8540.11.21 8540.11.12 8540.11.11	8540.11.10 8540.11.24 8540.11.28 8540.11.30 8540.11.44 8540.11.48	8540.11.03 8540.11.04 8540.11.01 8540.11.02	Non-high definition, non-projection, having a video display diagonal exceeding 14 inches (35.56 cm) Non-high definition, non-projection, having a video display diagonal not exceeding 14 inches (35.56 cm) High definition, having a video display diagonal exceeding 14 inches (35.56 cm) High definition, having a video display diagonal not exceeding 14 inches (35.56 cm)
303	8540.12.aa 8540.12.bb	8540.12.91 8540.12.99 8540.12.11 8540.12.19	8540.12.10 8540.12.50 8540.12.20 8540.12.70	8540.12.99 8540.12.01	Non-high definition High definition
304	8540.91.aa	8540.91.10	8540.91.15	8540.91.01	Front panel assemblies
305	8540.99.aa	8540.99.10	8540.99.40	8540.99.05	Electron guns; radio frequency (RF) interaction structures for microwave tubes of subheading 8540.71 through 8540.79

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
306	8542.13.aa	8542.13.10	8542.13.40	8542.13.01	Monolithic integrated circuits for high definition television, having greater than 100,000 gates
307	8542.14.aa	8542.14.10	8542.14.40	8542.14.01	Monolithic integrated circuits for high definition television, having greater than 100,000 gates
308	8542.19.aa	8542.19.10	8542.19.40	8542.19.01	Monolithic integrated circuits for high definition television, having greater than 100,000 gates
309	8542.21.aa+	8542.21.10+	8542.21.40+	8542.21.01+	Monolithic integrated circuits for high definition television, having greater than 100,000 gates+
310	8543.89.aa	8543.89.30	8543.89.80	8543.89.15+ 8543.89.20	Microwave amplifiers
311	8543.90.aa	8543.90.11 8543.90.12 8543.90.19	8543.90.15 8543.90.64 8543.90.68	8543.90.01	Printed circuit assemblies
312	8548.10.aa	8548.10.10	8548.10.05 8548.10.15	8548.10.01	Spent primary cells, spent primary batteries and spent electric accumulators
313	8607.19.aa	8607.19.11 8607.19.19	8607.19.03	8607.19.01 8607.19.99	Axles
	8607.19.bb	8607.19.30	8607.19.06	8607.19.06	Parts of axles
	8607.19.cc	8607.19.21 8607.19.29	8607.19.12	8607.19.02 8607.19.03	Wheels, whether or not fitted with axles
	8607.19.dd	8607.19.30 8607.19.40	8607.19.15	8607.19.04 8607.19.05 8607.19.06	Parts of wheels
314	8702.10.aa	8702.10.10	8702.10.30	8702.10.03 8702.10.04	Designed for the transport of 16 or more persons, including the driver
	8702.10.bb	8702.10.20	8702.10.60	8702.10.01 8702.10.02	Other
315	8702.90.aa	8702.90.10	8702.90.30	8702.90.04 8702.90.05	Designed for the transport of 16 or more persons, including the driver
	8702.90.bb	8702.90.20	8702.90.60	8702.90.01 8702.90.02 8702.90.03	Other

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
316	8706.00.aa	8706.00.20	8706.00.03 8706.00.15	8706.00.01+ 8706.00.02	Chassis of vehicles of heading 87.03 and subheadings 8704.21 and 8704.31
	8706.00.bb	8706.00.10 8706.00.90	8706.00.05 8706.00.25 8706.00.30 8706.00.50	8706.00.99	Chassis for other vehicles
317	8708.10.aa	8708.10.10	8708.10.30	8708.10.03	Bumpers, but not parts thereof
318	8708.29.aa	8708.29.11 8708.29.19	8708.29.20	8708.29.20	Body stampings
	8708.29.bb	8708.29.40	8708.29.10	8708.29.21	Inflators and modules for airbags
	8708.29.cc	8708.29.20	8708.29.15	8708.29.19	Door assemblies
	8708.29.dd	8708.29.30	see 8708.99.cc	see 8708.99.cc	Airbags for use in motor vehicles, where not provided for under subheading 8708.99
319	8708.50.aa	8708.50.20	8708.50.50	8708.50.03 8708.50.04	For vehicles of heading 87.03
320	8708.60.aa	8708.60.20	8708.60.50	8708.60.07	For vehicles of heading 87.03
321	8708.70.aa	8708.70.11 8708.70.19	8708.70.05 8708.70.25 8708.70.45	8708.70.03 8708.70.04	Road wheels, but not parts or accessories thereof
322	8708.80.aa	8708.80.11 8708.80.19	8708.80.15 8708.80.30	8708.80.04	McPherson Struts
323	8708.93.aa	8708.93.11 8708.93.19	8708.93.15 8708.93.60	8708.93.04	Clutches, but not parts thereof

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
324	8708.99.aa	8708.99.41 8708.99.42 8708.99.49	8708.99.03 8708.99.27 8708.99.55	8708.99.24	Vibration control goods containing rubber
	8708.99.bb	8708.99.51 8708.99.52 8708.99.59	8708.99.06 8708.99.31 8708.99.58	8708.99.23	Doubled flanged wheel hub units incorporating ball bearings
	8708.99.cc	see 8708.29.dd	8708.99.09 8708.99.34 8708.99.61	8708.99.05	Airbags for use in motor vehicles, where not provided for under subheading 8708.29
	8708.99.dd	8708.99.11 8708.99.12 8708.99.13	8708.99.12 8708.99.37 8708.99.64	8708.99.13+ 8708.99.24	Half-shafts and drive shafts
	8708.99.ee	8708.99.17 8708.99.18 8708.99.19	8708.99.15 8708.99.40 8708.99.67	8708.99.13+ 8708.99.24	Other parts for powertrains
	8708.99.ff	8708.99.21 8708.99.22 8708.99.29	8708.99.18 8708.99.43 8708.99.70	8708.99.08 8708.99.20+ 8708.99.27+ 8708.99.32+	Parts for suspension systems
	8708.99.gg	8708.99.31 8708.99.32 8708.99.33 8708.99.39	8708.99.21 8708.99.46 8708.99.73	8708.99.06	Parts for steering systems

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
325	8708.99.hh	8708.99.92 8708.99.93 8708.99.99	8708.99.24 8708.99.49 8708.99.80	8708.99.01 8708.99.04 8708.99.07 8708.99.10 8708.99.11 8708.99.12 8708.99.14 8708.99.15 8708.99.16 8708.99.17 8708.99.18 8708.99.19 8708.99.20 8708.99.21+ 8708.99.22 8708.99.25 8708.99.26 8708.99.27 8708.99.29 8708.99.30 8708.99.31 8708.99.32 8708.99.33 8708.99.34 8708.99.35 8708.99.36+ 8708.99.37+ 8708.99.38+ 8708.99.99	Other parts and accessories not elsewhere classified under subheading 8708.99
326	9005.90.aa	9005.90.11 9005.90.91	9005.90.40	9005.90.01	Incorporating goods of heading 90.01 or 90.02
327	9007.19.aa	9007.19.11 9007.19.19	9007.19.40	9007.19.01	Gyrostabilized
328	9009.99.aa	9009.99.10	9009.99.10 9009.99.30 9009.99.40+	9009.99.02	Parts of photocopying apparatus of subheading 9009.12 specified in Note 3 to Chapter 90
	9009.99.bb	9009.99.90	9009.99.50 9009.99.70 9009.99.80+	9009.99.99	Other
329	9018.11.aa	9018.11.10	9018.11.30	9018.11.01	Electrocardiographs
	9018.11.bb	9018.11.91	9018.11.60	9018.11.02	Printed circuit assemblies
330	9018.19.aa	9018.19.10	9018.19.55	9018.19.05	Patient monitoring systems
	9018.19.bb	9018.19.20	9018.19.75	9018.19.12	Printed circuit assemblies for parameter acquisition modules

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 2—Continued
Proposed Modifications to Annex 401 (Tariff Items for NAFTA)

Item #	Tariff item	Canada	USA	Mexico	Description
331	9018.90.aa	9018.90.10	9018.90.64	9018.90.18	Defibrillators
	9018.90.bb	9018.90.20+ 9018.90.94	9018.90.68	9018.90.26	Printed circuit assemblies for the goods of tariff item 9018.90.aa
332	9022.90.aa	9022.90.10	9022.90.05	9022.90.01	Radiation generator units
	9022.90.bb	9022.90.20	9022.90.15	9022.90.02	Radiation beam delivery units
333	9027.80.aa	9027.80.20	9027.80.25	9027.80.02	Nuclear magnetic resonance instruments
334	9027.90.aa	9027.90.20	9027.90.45	9027.90.03	Printed circuit assemblies for the goods of subheading 9027.80
335	9030.90.aa	9030.90.10 9030.90.90	9030.90.25 9030.90.64 9030.90.68	9030.90.02	Printed circuit assemblies
336	9031.49.aa	9031.49.10	9031.49.40	9031.49.01	Coordinate-measuring machines
337	9031.90.aa	9031.90.10	9031.90.45	9031.90.02	Bases and frames for the goods of tariff item 9031.49.aa
338	9614.20.aa	9614.20.20	9614.20.10	9614.20.01	Roughly shaped blocks of wood or root, for the manufacture of pipes

Note.—All tariff items listed in the proposed revisions to Annex 401 are not affected by proposed modifications. Tariff items with strike-out lines are proposed deletions; tariff items that are bolded and followed by a “+” symbol are proposed additions. Tariff items enclosed with square brackets identify a correction based on the proposed 2002 Harmonized Tariff Schedule provisions as submitted to the Congress pursuant to section 1206 (19 USC 3006).

Enclosure 2 - Part 3
Proposed Modifications to Annex 401 (Certain photocopier apparatus)

	Proposed modification title
Item #	Existing and proposed rule(s)
339	<p>Certain photocopier apparatus</p> <p>Existing rules:</p> <p>9009.11: A change to subheading 9009.11 from any other subheading.</p> <p>9009.12: A change to subheading 9009.12 from any other tariff item, except tariff item 9009.90.aa.</p> <p>9009.21-9009.30: A change to subheading 9009.21 through 9009.30 from any other subheading, including another subheading within that group.</p> <p>9009.90.aa: A change to tariff item 9009.90.aa from tariff item 9009.90.bb, or any other heading, provided that at least one of the components of such assembly named in Note 3 to Chapter 90 is originating.</p> <p>9009.90: A change to subheading 9009.90 from any other heading.</p> <p>Proposed rules:</p> <p>9009.11: A change to subheading 9009.11 from any other subheading.</p> <p>9009.12: A change to subheading 9009.12 from any other tariff item, except tariff item 9009.90.aa.</p> <p>9009.21-9009.30: A change to subheading 9009.21 through 9009.30 from any other subheading, including another subheading within that group.</p> <p>9009.91-9009.93: A change to subheading 9009.91 through 9009.93 from any subheading outside that group, except from tariff item 9009.99.bb.</p> <p>9009.99.aa: A change to tariff item 9009.90.aa from subheading 9009.91, 9009.92, or 9009.93 or tariff item 9009.90.bb, or any other heading, provided that at least one of the components of such assembly named in Note 3 to Chapter 90 is originating.</p> <p>9009.99: A change to subheading 9009.99 from any other subheading.</p>
<p>¹ 9009.90.aa is equivalent to U.S. tariff items 9009.90.10 and 9009.90.30, Canadian tariff item 9009.90.10, and Mexican tariff item 9009.90.02.</p> <p>² 9009.90.bb is equivalent to U.S. tariff items 9009.90.50 and 9009.90.70, Canadian tariff item 9009.90.90, and Mexican tariff item 9009.90.99.</p> <p>³ 9009.99.aa is equivalent to U.S. tariff item 9009.99.40, Canadian tariff item 9009.99.10, and Mexican tariff item 9009.99.02.</p> <p>⁴ 9009.99.bb is equivalent to U.S. tariff item 9009.99.80, Canadian tariff item 9009.99.90, and Mexican tariff item 9009.99.99.</p>	

Enclosure 3 Probable Effect Methodology

The Commission's probable effect analysis was based on an impact assessment of whether a proposed rule modification would likely increase or decrease preferential trade flows of U.S. exports and imports in the NAFTA markets as compared with the current NAFTA rules of origin, and the resulting effect on total U.S. imports, exports, and production. The methodology consisted of two steps—first, a comparison of the rules containing the proposed modification with the current rule to ascertain if any substantive change in the application of the NAFTA rules of origin would occur for any of the products covered by the rule, and second, if such a change was identified, a determination of the economic effects of the rule modification.

For those modifications determined to have no substantive change in the application of the rules of origin, there will be no probable effect on U.S. trade. **For such cases, the effect on U.S. trade and industry was determined to be "None."** In certain other cases, a substantive change in the coverage of individual rules of origin was identified, but further analysis was not warranted because of the production patterns or inputs of the affected products in the NAFTA countries, or because production and trade of the affected products were negligible. **In these cases, the effect on U.S. trade and production was determined to be "Negligible."**

For the rule modifications with a substantive change that was greater than negligible, each was analyzed to determine if the modification would liberalize or restrict NAFTA eligibility as compared with the current rules. If a proposed modification liberalized NAFTA eligibility for the affected products (i.e., making it easier for NAFTA-origin status to be granted), the amount of NAFTA trade would be expected to increase. Conversely, if any proposed modification restricted NAFTA eligibility, the amount of NAFTA trade would be expected to decrease.

Further analysis was conducted using a partial equilibrium model to estimate the change in the NAFTA trade value for the affected products covered by the modification. This model used three variables for the affected products to estimate the change in trade value: (1) the difference in the NAFTA and non-NAFTA tariff rates; (2) an elasticity factor based on the elasticities of supply and demand; and (3) the value of preferential or non-preferential trade in the NAFTA markets.¹

Tariff rates for the year 2000 were used for each NAFTA country for variable 1. Preferential imports are eligible for the NAFTA tariff rate in each NAFTA market, which is free in most cases.² The

¹ Preferential trade includes U.S. imports from Canada and Mexico and U.S. exports to Canada and Mexico that enter under the provisions of the NAFTA. Conversely, non-preferential trade is U.S. imports from Canada and Mexico and U.S. exports to Canada and Mexico that do not enter under the provisions of the NAFTA. U.S. import data show the amount of imports from Canada and Mexico that qualify for NAFTA preferential rates. However, U.S. export data do not have this detail, and the amount of exports receiving NAFTA preferential tariff rates was estimated by conversations with industry contacts.

² Certain Mexican NAFTA tariff rates are in the process of elimination by staged reductions, as are some U.S. and Canadian rates on Mexican goods.

non-NAFTA rate was assumed to be the U.S. normal trade relations (NTR) rate (formerly most-favored-nation (MFN) rate) or the MFN rate for Canada and Mexico.³

The values used for variables 2 and 3 were designed to estimate upper bound effects of the proposed modification in a base case analysis using present trade levels with NAFTA partners.⁴ If this analysis resulted in minor effects on the U.S. production for the affected products (i.e., a change in production of 6 percent or less), the analysis was concluded. If greater than minor effects resulted from this analysis, then the values used in base case variables 2 and 3 were examined to validate that they properly reflected industry conditions.

The effects on U.S. industry were determined by relating the expected change in NAFTA exports or imports to the amount of total U.S. imports, exports, and production by using the economic model.⁵ Increased imports would have a negative effect on the U.S. industry by lowering sales (and, therefore, U.S. production), the size of the effect dependent not only on the expected increase in imports but also the degree of substitutability between domestic and imported products. Increased exports benefit the U.S. industry by allowing it to increase sales (and, therefore, U.S. production).

In summary, the following code words and definitions were used to indicate the probable effect on the level of total U.S. trade and production (see enclosure 1 for the advice for each proposed rule modification):

- None:** No effect
- Negligible:** Insignificant effect (further analysis using the economic model is not warranted).
- Minor:** Import or export changes of less than 6 percent and production change (increase or decrease) of less than 6 percent based on economic model.
- Significant:** Import or export changes of 6 percent to 15 percent and production change (increase or decrease) of 6 percent to 15 percent based on economic model.
- Substantial:** Import or export changes of more than 15 percent and production change (increase or decrease) of more than 15 percent based on economic model.

³ Although the non-NAFTA rate could conceivably be, in the U.S. case, the column 2 rate (which is usually much higher than the NTR rate), virtually all U.S. imports qualify for the NTR rate based on GATT membership or statute.

⁴ For variable 3 under a liberalization situation, the base case assumed that all non-preferential trade would enter under NAFTA preferential tariff rates. In a restriction situation, the base case assumed that no trade would enter under NAFTA preferential tariff rates.

⁵ Production effects are limited to the U.S. industry producing directly competitive products with the products affected by the rules of origin modification.

Enclosure 4
***Federal Register* Notice and Organizations Contacted**

The Commission solicited comments on the proposed modifications by issuing a public notice which was published in the *Federal Register* (see following pages). The organizations listed below were contacted directly and informed of the opportunity to submit written comments. The Commission also received requests from interested parties for technical information regarding the proposed modifications.

Organizations contacted

Xerox Corp.

Hewlett-Packard

American Electronics Association

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC

PROBABLE EFFECT OF CERTAIN
MODIFICATIONS TO THE NORTH AMERICAN FREE
TRADE AGREEMENT RULES OF ORIGIN (PHASE 2)

AGENCY: United States International Trade Commission

ACTION: Request for written submissions

EFFECTIVE DATE: September 28, 2001

SUMMARY: The Commission received a request from the United States Trade Representative (USTR) on September 28, 2001, to provide advice on the probable effect on U.S. trade under the North American Free Trade Agreement (NAFTA), total U.S. trade, and on domestic producers of certain modifications to the rules of origin in NAFTA Annexes 401 and 403. The USTR request states that most of these modifications are technical changes that will conform the NAFTA rules of origin to corresponding changes in the HTS due to revisions in Harmonized System nomenclature that are scheduled to take effect on January 1, 2002.

FOR FURTHER INFORMATION: Information may be obtained from David Lundy, Office of Industries (202-205-3439, or lundy@usitc.gov); and on legal aspects, from William Gearhart, Office of the General Counsel (202-205-3091). The media should contact Margaret O'Laughlin, Office of Public Affairs (202-205-1819). Hearing impaired individuals are advised that information on this matter can be obtained by contacting the TDD terminal (202-205-1810). General information concerning the Commission may also be obtained by accessing its internet server <http://www.usitc.gov>. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS-ON-LINE) at <http://dockets.usitc.gov/eol/public>. Advice on a previous set of modifications (Phase 1) was provided to the USTR on September 14, 2001 and a public version of this report is available on the Commission's Internet server.

BACKGROUND: According to the USTR's letter, U.S. negotiators have recently reached agreement in principle with representatives of the governments of Canada and Mexico on proposed modifications to Annex 401 of the NAFTA. Chapter 4 and Annexes 401 and 403 of the NAFTA contain the rules of origin for application of the tariff provisions of the NAFTA to trade in goods. Section 202(q) of the North American Free Trade Agreement Implementation Act (the Act) authorizes the President, subject to the consultation and layover requirements of section 103 of the Act, to proclaim such modifications to the rules as may from time to time be agreed to by the NAFTA countries. One of the requirements set out in section 103 of the Act is that the President obtain advice from the United States International Trade Commission.

The USTR requested that the Commission provide advice on the probable effect on U.S. trade under NAFTA, total U.S. trade, and on domestic producers of the affected articles as a result of 311 proposed modifications to the rules of origin in NAFTA Annexes 401 and 403. A list of the proposed modifications is available from the Office of the Secretary to the Commission or by accessing the electronic version of this notice at the Commission's Internet site (<http://www.usitc.gov>). The current U.S. rules of origin can be found in general note 12 of the 2001 U.S. Harmonized Tariff Schedule (see "General Notes" link, <http://dataweb.usitc.gov/scripts/tariff/toc.html>).

The USTR request states that most of the modifications are technical changes that will conform the NAFTA rules of origin to corresponding changes in the HTS due to revisions in Harmonized System nomenclature that are scheduled to take effect on January 1, 2002.

As requested, the Commission will forward its advice to the USTR by October 24, 2001, and will release a public version of its advice as soon as possible thereafter.

WRITTEN SUBMISSIONS: No public hearing is being scheduled in connection with preparing this advice. However, interested parties are invited to submit written statements (original and 14 copies) concerning any economic effects of the modifications. Commercial or financial information that a submitter desires the Commission to treat as confidential must be submitted on separate sheets of paper, each clearly marked "Confidential Business Information" at the top. All submissions requesting confidential treatment must conform with the requirements of section § 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. 201.6). All written submissions, except for confidential business information, will be made available in the Office of the Secretary to the Commission for inspection by interested parties. To be ensured of consideration by the Commission, written statements relating to the Commission's report should be submitted to the Commission at the earliest practical date and must be received no later than the close of business on October 18, 2001. All submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436.

Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000.

By order of the Commission.

Donna R. Koehnke

Secretary

Issued: October 1, 2001

Enclosure 5
Probable Effect of Certain Modifications to the North American
Free Trade Agreement Rules of Origin (Phase 2)

(Scroll or use bookmark button to navigate through documents listed below)

Technical Revisions to Proposed Modifications as of October 17, 2001

Since the original request, the Department of Treasury via the USTR notified the Commission staff of several technical revisions to the proposed modifications. The revisions are noted in this document, with underlined portions as new text and strikeout, bracketed portions as removed text.

Interested parties are invited to submit written statements concerning the economic effects of the these revised modifications by October 26, 2001. For more information on this request and for instructions on how to submit written statements, see USITC notice “Probable Effect of Certain Modifications to the North American Free Trade Agreement Rules of Origin (Phase 2).”

USTR Request letter

Request letter enclosures:

Part 1: Proposed Amendments to Annex 401 and Annex 403.1

Part 2: Proposed changes to Annex 401 B

Part 3: Current and Proposed Rules for 9009 (photocopier parts)

Technical Revisions to Proposed Modifications as of October 17, 2001

Please refer to the original list of proposed modifications included in the request letter enclosure when reviewing the revisions below.

Part 1 Revisions

1. Rule 2922.50: Second rule should be:

A change to subheading 2922.50 from any other subheading within heading 29.22 or heading 29.05 through 29.21, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

2. Rule 2924.23: Third rule should be:

A change to salts of subheading 2924.23 from 2-acetamidobenzoic acid (N-acetylanthranilic acid) of subheading 2924.23 or subheading 2917.20 or 2924.24 through 2924.29, whether or not there is also a change from [or] any other subheading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

3. Rule 2939.11: Second rule should be:

A change to any other good of subheading 2939.11 from [~~any other subheading or~~] concentrates of poppy straw of subheading 2939.11 or any other subheading, except from subheading 2939.19.

4. Rule 2939.19: This should be:

A change to subheading 2939.19 from [~~any other subheading or~~] concentrates of poppy straw of subheading 2939.11 or any other subheading, except from any other good of subheading 2939.11.

5. 3001.10-3001.20: Second rule should be:

A change to subheading 3001.10 through 3001.20 from any other subheading within heading 30.01, including another subheading within that group, [~~except from subheading 3006.80;~~] whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

6. 3003.10-3003.90: Second rule should be:

A change to subheading 3003.10 through 3003.90 from any other subheading within heading 30.03, [~~except from subheading 3006.80;~~] whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

7. 3004.32: Second rule should be:

A change to any other good of subheading 3004.32 from heading 30.03, any other subheading within heading 30.04[;] or hormone derivatives or structural analogues of corticosteroid hormones of subheading 3004.32, whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

8. 3004.40-3004.50: Second rule should be:

A change to subheading 3004.40 through 3004.50 from heading 30.03 or any other subheading within heading 30.04, including another subheading within that group, [~~except from subheading 3006.80;~~] whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

9. 3005.10-3005.90: Second rule should be:

A change to subheading 3005.10 through 3005.90 from any other subheading within heading 30.05, [~~except from subheading 3006.80;~~] whether or not there is also a change from any other heading, except from subheading 3006.80, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

10. 38.22: First rule should be:

A change to certified reference materials of heading 38.22 from any other good of heading 38.22 or any other heading, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used, or
- (b) 50 percent where the net cost method is used.

11. 40.09: First sentence should be:

Delete subheading [~~4009.20~~] 4009.10-4009.40 and 4009.50 and the rules of origin and footnotes applicable thereto and replace with the following.

Part 2 Revisions

12. Tariff item 8531.90.aa:

U.S. tariff item 8531.90.10 should be changed to 8531.90.15.

13. Tariff item 8536.30.aa:

Canadian tariff item 8536.30.20 should not be deleted.

14. Tariff item 8537.10.aa:

Canadian tariff item 8537.10.21 should not be added.

15. Tariff item 8537.10.bb:

Canadian tariff item 8537.10.21 should not be deleted.

Part 3 Revisions

16. Rule 9009.91-9009.93 should be:

A change to subheading 9009.91 through 9009.93 from any subheading outside that group, except from tariff item 9009.99.bb.