

Appendix C: Free Trade Agreements



	Year Implemented	Merchandise Processing Fee	Direct Shipment/Imported Directly/Transit and Transshipment	Rule of Origin Citation	Rule of Origin	Regional Value Content Calculation Method	Automotive Goods	De Minimis	Chemical Reaction and Related Rules of Origin	Special Origination Rules	Drawback Restriction	Documentation Required	Responsibility for Compliance	Repair and Alteration Provision
NAFTA	1994	1	3	GN 12 (b), 19 CFR 181, append. II §4	7,8	14	Yes,20	25	Yes, for certain petroleum products	27	Yes	Yes,31	Exporter	Duty Free
Chile	2004	1	3,4	GN 26 (b), 19 CFR 10.451	7,9	15	No,21	26	Yes, HTS Ch. 27–38, GN 26 (m) (vi)	No	Yes	No,32	Importer	Duty Free
Singapore	2004	1	5	GN 25 (b), 19 CFR 10.531	7,9,10	15	No,21	26	Yes, HTS Ch. 27–40, GN 25 (n) (v)	28	No	No,32	Importer	Duty Free
Australia	2005	1	5	GN 28 (b)	7,9	15 (automotive only)	22	26	Yes, HTS Ch. 27–40, GN 28 (m) (vii)	No	No	No,32	Importer	Duty Free
Israel	1985	1	6	Agreement Annex 3	11	16	No	No	No	29	No	33	Importer	No
Jordan	2001	2	6	GN 18 (b)	11	16	No	No	No	No	No	No,32	Importer	No
Bahrain	2006	1	5	GN 30 (b)	11,12	17	No	No	No	No	No	No,32	Importer	Duty Free
Morocco	2006	2	5	GN 27 (b)	11,12	17	No	No	No	No	No	No,32	Importer	Duty Free
Oman	2009	1	5	GN 31 (b)	11 or 13	17	No	No	No	No	No	No,32	Importer	Duty Free
CAFTA-DR	2006–2009	2	3,4	GN 29 (b)	7,9	18	Yes,23	26	Yes, HTS Ch. 27–40, GN 29 (m) (vii)	30	No	No,32	Importer	Duty Free
Peru	2009	1	3,4	GN 32 (b)	7,9	18	Yes,24	26	Yes, HTS Ch. 27–40, GN 32 (m) (vii)	No	No	No,32	Importer	Duty Free
Korea	2012	1	3,4	GN 33 (b)	7,9	18,19	Yes,23	26	Yes, HTS Ch. 27–40, GN 33 (m) (vii)	No	No	No,32	Importer	Duty Free
Colombia	2012	1	3,4	GN 34 (b)	7,9	18	Yes,24	26	Yes, HTS Ch. 27–40, GN 34 (m) (vii)	No	No	No,32	Importer	Duty Free
Panama	2012	1	3,4	GN 35 (b)	7,9	18	Yes,23	26	Yes, HTS Ch. 27–40, GN 35 (m) (vii)	No	No	No,32	Importer	Duty Free

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| 1 Exempt for Originating Goods | 11 Wholly of Growth, Product, or Manufacture or Value Content plus Substantial Transformation | 22 Certain tariffs require net cost |
| 2 No exemption | 12 19 CFR 102 or Product Specific Tariff Shift | 23 Automotive goods may use Net Cost, Build-Up, or Build Up for RVC |
| 3 Transshipment—may not leave customs control or undergo production in a third country | 13 Product Specific Tariff Shift | 24 Automotive goods must use Net Cost RVC |
| 4 Transit—may not leave customs control or undergo production in a third country | 14 Transaction Value and Net Cost method where there is RVC | 25 7 percent of transaction value with exceptions |
| 5 May leave customs control but may not undergo production in a third country | 15 Build-Up or Build-Down method where there is RVC | 26 10 percent of transaction value with exceptions |
| 6 May change hands in non-retail sale for re-export; may not undergo further production in third country | 16 U.S. materials plus direct cost of processing must equal 35 percent of appraised value (up to 15 percent second market content) | 27 Preference Criterion E for certain high-tech goods |
| 7 Wholly obtained or produced | 17 U.S./second market materials plus direct cost of processing must equal 35 percent of appraised value | 28 Integrated Sourcing Initiative for certain high-tech goods imported from Singapore |
| 8 Wholly of originating materials, tariff shift, and/or Regional Value Content | 18 Build-Up, Build-Down, Net Cost (limited) | 29 Qualified Industrial Zones: Gaza, West Bank, parts of Jordan |
| 9 Wholly of originating materials, tariff shift, and Regional Value Content | 19 Indirect materials are disregarded when computing value of originating materials in Build-Up RVC | 30 Qualifying goods for certain agricultural products |
| 10 Sourcing Initiative (ISI) | 20 Tracing the value of certain non-originating materials and net cost required | 31 NAFTA certificate of origin must be in importer's possession at time of claim |
| | 21 RVC percentage is 30 percent Build-Up or 50 percent Build-Down method where there is RVC | 32 Freeform paperwork of required type (certification, supporting statement, declaration) with data elements upon request by Customs |
| | | 33 Green Form unless approved exporter |