

Presidential Documents

Proclamation 8067 of October 11, 2006

To Modify Rules of Origin Under the North American Free Trade Agreement

By the President of the United States of America

A Proclamation

1. Presidential Proclamation 6641 of December 15, 1993, implemented the North American Free Trade Agreement (the “NAFTA”) with respect to the United States and, pursuant to the North American Free Trade Agreement Implementation Act (Public Law 103–182) (the “NAFTA Implementation Act”), incorporated in the Harmonized Tariff Schedule of the United States (the “HTS”) the tariff modifications and rules of origin necessary or appropriate to carry out the NAFTA.

2. Section 202 of the NAFTA Implementation Act (19 U.S.C. 3332) provides rules for determining whether goods imported into the United States originate in the territory of a NAFTA party and thus are eligible for the tariff and other treatment contemplated under the NAFTA. Section 202(q) of the NAFTA Implementation Act (19 U.S.C. 3332(q)) authorizes the President to proclaim, as a part of the HTS, the rules of origin set out in the NAFTA and to proclaim modifications to such previously proclaimed rules of origin, subject to the consultation and layover requirements of section 103(a) of the NAFTA Implementation Act (19 U.S.C. 3313(a)).

3. The United States, Canada, and Mexico have agreed to modifications to certain NAFTA rules of origin. Modifications to the NAFTA rules of origin reflected in general note 12 to the HTS are therefore necessary.

4. Section 604 of the Trade Act of 1974, as amended (the “1974 Act”) (19 U.S.C. 2483), authorizes the President to embody in the HTS the substance of the relevant provisions of that Act, and of other acts affecting import treatment, and actions thereunder, including the removal, modification, continuance, or imposition of any rate of duty or other import restriction.

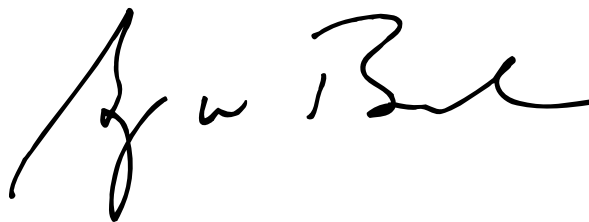
NOW, THEREFORE, I, GEORGE W. BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including section 604 of the 1974 Act and section 202 of the NAFTA Implementation Act, do hereby proclaim:

(1) In order to reflect in the HTS modifications to the rules of origin under the NAFTA, general note 12 to the HTS is modified as provided in the Annex to this proclamation.

(2) The modifications made by this proclamation shall be effective with respect to goods of Canada or of Mexico, under the terms of general note 12 to the HTS, that are entered, or withdrawn from warehouse for consumption, on or after July 1, 2006.

(3) Any provisions of previous proclamations and Executive Orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

IN WITNESS WHEREOF, I have hereunto set my hand this eleventh day of October, in the year of our Lord two thousand six, and of the Independence of the United States of America the two hundred and thirty-first.

A handwritten signature in black ink, appearing to read "G. W. Bush". The signature is fluid and cursive, with a large initial "G" and a distinct "W" and "B".

ANNEX

MODIFICATIONS TO THE RULES OF ORIGIN FOR THE
NORTH AMERICAN FREE TRADE AGREEMENT, AS REFLECTED
IN THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

Effective with respect to goods of Canada or of Mexico, under the terms of general note 12 to the Harmonized Tariff Schedule of the United States (HTS), that are entered, or withdrawn from warehouse for consumption, on or after July 1, 2006, general note 12(t) to the HTS is modified as follows:

1. Tariff classification rules (TCRs) 5 through 7 to chapter 18 are deleted and the following new TCR is inserted:

"5. A change to subheadings 1806.31 through 1806.90 from any other subheading, including another subheading within that group."

2. TCR 7 to chapter 20 is deleted and the following new TCR is inserted:

- "7. (A) A change to subheading 2009.90 from any other chapter;
- (B) A change to cranberry juice mixtures of subheading 2009.90 from any other subheading within chapter 20, except from subheadings 2009.11 through 2009.39 or cranberry juice of subheading 2009.80, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
- (1) 60 percent where the transaction value method is used, or
- (2) 50 percent where the net cost method is used; or
- (C) A change to any other good of subheading 2009.90 from any other subheading within chapter 20, whether or not there is also a change from any other chapter, provided that a single juice ingredient, or juice ingredients from a single non-Party, constitute in single strength form no more than 60 percent by volume of the good."

3. The TCR to chapter 26, set forth following the chapter designation, is deleted and the following new TCR is inserted:

"A change to headings 2601 through 2621 from any other heading, including another heading within that group."

4. TCRs 2 through 8, inclusive, to chapter 41 are deleted and the following new TCRs are inserted:

- "2. A change to heading 4104 from any other heading, except from heading 4107.
3. A change to subheading 4105.10 from heading 4102 or any other chapter.
4. A change to subheading 4105.30 from heading 4102, subheading 4105.10 or any other chapter.
5. A change to subheading 4106.21 from subheading 4103.10 or any other chapter.
6. A change to subheading 4106.22 from subheadings 4103.10 or 4106.21 or any other chapter.

7. A change to subheading 4106.31 from subheading 4103.30 or any other chapter.
8. A change to subheading 4106.32 from subheadings 4103.30 or 4106.31 or any other chapter.
9. (A) A change to tanned hides or skins in the wet state (including wet-blue) of subheading 4106.40 from subheading 4103.20 or any other chapter; or
(B) A change to crust hides or skins of subheading 4106.40 from subheading 4103.20 or tanned hides or skins in the wet state (including wet-blue) of subheading 4106.40 or any other chapter.
10. A change to subheading 4106.91 from subheading 4103.90 or any other chapter.
11. A change to subheading 4106.92 from subheadings 4103.90 or 4106.91 or any other chapter.
12. A change to heading 4107 from heading 4101 or any other chapter.
13. A change to heading 4112 from heading 4102, subheading 4105.10 or any other chapter.
14. A change to heading 4113 from heading 4103, subheadings 4106.21 or 4106.31, tanned hides or skins in the wet state (including wet-blue) of subheading 4106.40, subheading 4106.91 or any other chapter.
15. A change to heading 4114 from headings 4101 through 4103 or any other chapter, except from hides or skins of headings 4101 through 4103 which have undergone a tanning (including pre-tanning) process which is reversible.
16. A change to subheadings 4115.10 through 4115.20 from headings 4101 through 4103 or any other chapter."

5. TCRs 1 and 2 to chapter 45 are deleted and the following new TCR is inserted immediately after the designation "Chapter 45."

"A change to headings 4501 through 4504 from any other heading, including another heading within that group."

6. TCRs 4 and 4A and the immediately superior Note to chapter 54 are deleted and the following new TCR is inserted immediately below TCR 3:

- "4. A change to heading 5408 from filament yarns of viscose rayon of heading 5403 or any other chapter, except from headings 5106 through 5110, 5205 through 5206 or 5509 through 5510."

7. TCRs 1 through 3 and the accompanying Note and Heading rule to chapter 56 are deleted and the following new TCRs and Heading rule are inserted:

- "1. (A) A change to sanitary towels or tampons of subheading 5601.10 from tri-lobal rayon staple fiber (38 mm, 3.3 decitex) of subheading 5504.10 or any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308 or 5310 through 5311 or chapters 54 through 55; or
(B) A change to any other good of heading 5601 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308 or 5310 through 5311 or chapters 54 through 55.
2. A change to headings 5602 through 5605 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308 or 5310 through 5311 or chapters 54 through 55.

Heading rule: For the purposes of TCR 3 to this chapter, the term “flat yarns” means 7.8 decitex/5 filament, 11.1 decitex/7 filament or 13.3 decitex/5 filament, all of nylon 66, untextured (flat) semi-dull yarns, multifilament, untwisted or with a twist not exceeding 50 turns per meter, of subheading 5402.41.

3. A change to heading 5606 from flat yarns of subheading 5402.41 or any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308 or 5310 through 5311 or chapters 54 through 55.
4. A change to headings 5607 through 5609 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5307 through 5308 or 5310 through 5311 or chapters 54 through 55.”

8. TCRs 1 through 5 to chapter 67 are deleted and the following new TCRs are inserted:

- “1. (A) A change to heading 6701 from any other heading; or
(B) A change to a good of feathers or down of heading 6701 from within that heading or any other heading.
2. A change to headings 6702 through 6704 from any other heading, including another heading within that group.”

9. TCR 1 to chapter 70 is deleted and the following new TCRs are inserted:

- “1. A change to heading 7001 from any other heading.
 - 1A. A change to subheading 7002.10 from any other heading.
 - 1B. A change to subheading 7002.20 from any other chapter.
 - 1C. A change to subheading 7002.31 from any other heading.
 - 1D. A change to subheadings 7002.32 through 7002.39 from any other chapter.”

10. TCRs 1 and 2 to chapter 74 are deleted and the following new TCR is inserted:

- “1. (A) A change to headings 7401 through 7403 from any other heading, including another heading within that group, except from heading 7404; or
(B) A change to headings 7401 through 7403 from heading 7404 whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:
 - (1) 60 percent where the transaction value method is used, or
 - (2) 50 percent where the net cost method is used.”

11. TCR 2 to chapter 78 is deleted and the following new TCRs are inserted:

- “2. (A) A change to heading 7803 from any other heading; or
(B) A change to wire of heading 7803 from within that heading, whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least 50 percent.
3. (A) A change to subheadings 7804.11 through 7804.20 from any other subheading, including another subheading within that group; or
(B) A change to foil of a thickness not exceeding 0.15 mm (excluding backing) of subheading 7804.11 from within that subheading, whether or not there is also a change from any other subheading.

4. A change to headings 7805 through 7806 from any other heading, including another heading within that group.”
12. TCRs 1 and 2 to chapter 79 are deleted and the following new TCRs are inserted:
- “1. A change to headings 7901 through 7902 from any other chapter.
 2. A change to subheading 7903.10 from any other chapter.
 3. A change to subheading 7903.90 from any other heading.
 4. (A) A change to heading 7904 from any other heading; or
(B) A change to wire of heading 7904 from within that heading; whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least 50 percent.
 5. (A) A change to heading 7905 from any other heading; or
(B) A change to foil of a thickness not exceeding 0.15 mm (excluding backing) of heading 7905 from within that heading, whether or not there is also a change from any other heading.
 6. A change to headings 7906 through 7907 from any other heading, including another heading within that group.”
13. TCRs 2 and 3 to chapter 80 are deleted and the following new TCRs are inserted:
- “2. (A) A change to heading 8003 from any other heading; or
(B) A change to wire of heading 8003 from within that heading, whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least 50 percent.
 3. A change to headings 8004 through 8007 from any other heading, including another heading within that group.”
14. TCRs 1 through 25, inclusive, to chapter 81 are deleted and the following new TCRs are inserted:
- “1. A change to subheadings 8101.10 through 8110.90 from any other subheading, including another subheading within that group.
 2. (A) A change to manganese powders or articles of manganese of heading 8111 from any other good of heading 8111; or
(B) A change to any other good of heading 8111 from any other heading.
 3. A change to subheadings 8112.12 through 8113.00 from any other subheading, including another subheading within that group.”
15. TCR 85 to chapter 85 and the tariff item rule appearing immediately below it (applicable through the close of December 31, 1998) are deleted.
16. TCRs 90 and 92 to chapter 85 are deleted and the following new TCR is inserted:
- “92. A change to subheading 8528.12 from tariff items 8528.12.04 or 8528.12.08 or any other heading.”
17. TCR 92A to chapter 85 is deleted and the following new TCR is inserted:

"92A. A change to subheading 8528.13 from any other heading."

18. TCR 92C to chapter 85 is modified by deleting the tariff item rule and the TCR text (applicable through the close of December 31, 1998) immediately above it.

19. TCRs 92H and 92J to chapter 85 are deleted and the following new TCR is inserted:

"92J. A change to subheading 8528.21 from tariff items 8528.21.05 or 8528.21.10 or any other heading."

20. TCR 92K to chapter 85 is deleted and the following new TCR is inserted:

"92K. A change to subheading 8528.22 from any other heading."

21. TCRs 92O and 92Q to chapter 85 are deleted and the following new TCR is inserted:

"92Q. A change to subheading 8528.30 from tariff items 8528.30.10 or 8528.30.20 or any other heading."

22. TCR 78A to chapter 90 is deleted and the following new TCR is inserted:

78A. (A) A change to subheadings 9032.20 through 9032.89 from any other heading; or

(B) A change to subheadings 9032.20 through 9032.89 from subheading 9032.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

- (1) 45 percent where the transaction value method is used, or
- (2) 35 percent where the net cost method is used."

Conforming change: The subheading rule immediately above TCR 78 to chapter 90 is modified by deleting "subdivision 78 pertains" and inserting in lieu thereof "tariff classification rules 78 and 78A pertain."