Chapter 3
Rules of Origin

Article 38
Definitions

For the purposes of this Chapter:

(a) The term "certification body" means an entity or a body designated or authorized to issue a Certificate of Origin by the competent authority of a Party, in accordance with its laws and regulations;

(b) The term "competent authority" means the authority that, in accordance with the laws and regulations of each Party, is responsible for the issuance of a Certificate of Origin or for the designation of certification bodies, for the authorization of approved exporters referred to in Article 58 and for the verification of information related to Proofs of Origin referred to in Article 66:

(i) in the case of Japan, the Ministry of Economy, Trade and Industry, or its successor; and

(ii) in the case of Peru, the Ministry of Foreign Trade and Tourism, or its successor;

(c) The term "exporter" means a person located in the exporting Party from where a good is exported by such person;

(d) The term "factory ships of the Party" or "vessels of the Party" respectively, means factory ships or vessels which:

(i) are registered in the Party;

(ii) sail under the flag of the Party; and

(iii) meet one of the following conditions:

(A) they are at least 50 percent owned by nationals of the Parties; or

(B) they are owned by a juridical person which has its head office and its principal place of business in either Party and which does not own any vessel or ship registered in a non-Party;

(e) The term "fungible goods" or "fungible materials" respectively, means goods or materials that are interchangeable for commercial purposes, whose properties are essentially identical;

(f) The term "Generally Accepted Accounting Principles" means the recognized consensus or substantial authoritative support within a Party, at a particular time as to which economic resources and obligations should be recorded as assets and liabilities, which changes in assets and liabilities should be recorded, how the assets and liabilities and changes in them should be measured, what information should be disclosed and how it should be disclosed, and which financial statements should be prepared. These standards may be broad guidelines of general application as well as detailed practices and procedures;

(g) The term "identical goods" means goods that are the same in all respects, including physical characteristics and quality, irrespective of minor differences in appearance that are not relevant to the determination of origin;

(h) The term "importer" means a person located in the importing Party from where a good is imported by such person;

(i) The term "material" means a good that is used in the production of another good, including any components, ingredients, raw materials or parts;

(j) The term "non-originating material" means a material which does not qualify as an originating good under this Chapter;