Article 3.6: Minimal Operations and Processes

Notwithstanding any provisions of this Chapter, the following operations when undertaken on non-originating materials to produce a good shall be considered as insufficient working or processing to confer on that good the status of an originating good:

(a) preserving operations to ensure that the good remains in good condition for the purposes of transport or storage;

(b) packaging or presenting goods for transportation or sale;

(c) simple[3] processes, consisting of sifting, screening, sorting, classifying, sharpening, cutting, slitting, grinding, bending, coiling, or uncoiling;

(d) affixing or printing of marks, labels, logos, or other like distinguishing signs on goods or their packaging;

(e) mere dilution with water or another substance that does not materially alter the characteristics of the good;

(f) disassembly of products into parts;

(g) slaughtering[4] of animals;

(h) simple painting and polishing operations;

(i) simple peeling, stoning, or shelling;

(j) simple mixing of goods, whether or not of different kinds; or

(k) any combination of two or more operations referred to in subparagraphs (a) through (j).

[3] For the purposes of this Article, “simple” describes an activity which does not need special skills, or machines, apparatus, or equipment especially produced or installed for carrying out the activity.

[4] For the purposes of this Article, “slaughtering” means the mere killing of animals.

Article 3.7: *De Minimis*

1. A good that does not satisfy a change in tariff classification pursuant to Annex 3A (Product-Specific Rules) is nonetheless an originating good if the good meets all of the other applicable requirements in this Chapter and:

   (a) for a good classified in Chapters 01 through 97 of the HS Code, the value of non-originating materials that have been used in the production of the good and did not undergo the applicable change in tariff classification does not exceed 10 per cent of the FOB value of that good. The value of those non-originating materials shall be determined pursuant to paragraph 3 of Article 3.5 (Calculation of Regional Value Content); or

   (b) for a good classified in Chapters 50 through 63 of the HS Code, the weight of all non-originating materials used in its production that did not undergo the required change in tariff classification does not exceed 10 per cent of the total weight of the good.

2. The value of non-originating materials referred to in paragraph 1 shall, however, be included in the value of non-originating materials for any applicable regional value content requirement.

Article 3.8: Treatment of Packing and Packaging Materials and Containers

1. Packing materials and containers for the transportation and shipment of a good shall not be taken into account in determining the originating status of any good.

2. Packaging materials and containers in which a good is packaged for retail sale, which are classified together with the good, shall not be taken into account in determining the originating status of the good, provided that:

   (a) the good is wholly obtained or produced in a Party in accordance with subparagraph (a) of Article 3.2 (Originating Goods);

   (b) the good is produced in a Party exclusively from originating materials from one or more of the Parties, in accordance with subparagraph (b) of Article 3.2 (Originating Goods); or