

a) Diesel Engines

Chapter 84, 84.07-84.08: Eliminate the rule of origin applicable to subheading 84.07-84.08 and replace it with the following rule:

84.07 A change to subheading 84.07 from any other heading, provided there is a regional value content of no less than:

- (a) 60 per cent, when using the transaction value method, or
- (b) 50 per cent, when using the net cost method.

8408.10-8408.20 A change to subheading 8408.10 to 8408.20 from any other heading, provided there is a regional value content of no less than:

- (a) 60 per cent, when using the transaction value method, or
- (b) 50 per cent, when using the net cost method.

8408.90 A change to subheading 8408.90 from any other heading.

b) Other Gas Turbines and Parts

Chapter 84, 8411.11-8411.82, 8411.99: Eliminate the rule of origin applicable to subheading 8411.11-8411.82 and 8411.99 and replace it with the following rules:

8411.11-8411.82 A change to subheading 8411.11 to 8411.82 from any other subheading outside that group.

8411.91 A change to subheading 8411.91 from any other heading.

8411.99 A change to subheading 8411.99 from any other heading; or

8411.100

No required change in tariff classification to subheading 8411.99, provided there is a regional value content of no less than:

- (a) 60 per cent, when using the transaction value method, or
- (b) 50 per cent, when using the net cost method.

c) Valves

Chapter 84, 8481.40-8481.80: Eliminate the rule of origin applicable to subheading 8481.10-8481.80 and replace it with the following rules:

8481.10-8481.30 A change to subheading 8481.10 to 8481.30 from any other heading; or

A change to subheading 8481.10 to 8481.30 from subheading 8481.90, whether or not there are changes to any other headings, provided there is a regional value content of no less than:

- (a) 60 per cent, when using the transaction value method, or
- (b) 50 per cent, when using the net cost method.

8481.40-8481.80 A change to subheading 8481.40 through 8481.80 from any other heading; or

A change to subheading 8481.40 to 8481.80 from subheading 8481.90, whether or not there are changes to any other headings, provided there is a regional value content of no less than:

- (a) 45 per cent, when using the transaction value method, or

- (b) 35 per cent, when using the net cost method.

d) Electric Engine Parts and Generators

Chapter 85, 85.03: Eliminate the rule of origin applicable to heading 85.03 and replace it with the following rules:

- 85.03 A change to heading 85.03 from any other heading; or
No required change in tariff classification to subheading 85.03, provided there is a regional value content of no less than:
- (a) 60 per cent, when using the transaction value method, or
 - (b) 50 per cent, when using the net cost method.

e) Electrical Transformers

Chapter 85, 8504.10-8504.23, 8504.32-8504.34: Eliminate the rule of origin applicable to subheading 8504.10-8504.34 and replace it with the following rules:

- 8504.10 A change to subheading 8504.10 from any other heading.
- 8504.21-8504.23 A change to subheading 8504.21 to 8504.23 from subheading 8504.90 or any other heading.
- 8504.31 A change to subheading 8504.31 from any other heading; or
A change to subheading 8504.31 from heading 8504.90, whether or not there are changes in any other headings, provided there is a regional value content of no less than:
- (a) 60 per cent, when using the transaction value method, or
 - (b) 50 per cent, when using the net cost method.
- 8504.32-8504.34 A change to subheading 8504.32 to 8504.34 from subheading 8504.90 or any other heading.

f) Batteries

Chapter 85, 8506.10-8506.40, 8506.50-8506.80, 8506.90: Eliminate the rule of origin applicable to subheading 8506.10-8506.80, 8506.90 and replace it with the following rules:

- 8506.10-8506.40 A change to subheading 8506.10 to 8506.40 from any other subheading including other subheading within the group.
- 8506.50-8506.80 A change to subheading 8506.50 through 8506.80 from any other subheading outside that group.
- 8506.90 A change to a good of heading 8506.90 from any other good of such subheading or any other subheading.

g) Electrical Apparatus for Line Telephony

Chapter 85, 8517.11-8517.90: Eliminate the rule of origin applicable to subheading 8517.11, tariff item 8517.19.aa, subheading 8517.19, 8517.21, 8517.22-8517.30, tariff item 8517.50.aa, 8517.50.bb, subheading 8517.90 and replace it with the following rules:

- 8517.11-8517.80 A change to subheading 8517.11 to 8517.80 from any other subheading including other subheading within the group.

8517.90A change to subheading 8517.90 from any other subheading, or

No required change in tariff classification to subheading 8517.90, provided there is a regional value content of no less than:

- (a) 60 per cent, when using the transaction value method, or
- (b) 50 per cent, when using the net cost method.

h) Turntables, Record Players, Cassette Players

Chapter 85, 8519.10-8519.99: Eliminate the rule of origin applicable to subheading 8519.10-8519.99 and replace it with the following rules:

8519.10-8519.99 A change to subheading 8519.10 to 8519.99 from any other subheading including other subheading within that group.

i) Transmission Apparatus for Radio Telephony

Chapter 85, 8525.30, 8525.40: Eliminate the rule of origin applicable to subheading 8525.30 and 8525.40 and replace it with the following rules:

8525.30

8525.30.aa A change to tariff item 8525.30.aa from any other tariff item, except from tariff item 8525.30.bb.

8525.30 A change to subheading 8525.30 from any other subheading.

8525.40 A change to subheading 8525.40 from any other subheading.

j) Radar Apparatus

Chapter 85, 8526.10, 8526.91-8526.92: Eliminate the rule of origin applicable to subheading 8526.10, 8526.91-8526.92 and replace it with the following rules:

8526.10-8526.92 A change to subheading 8526.10 to 8526.92 from any other subheading including other subheading within the group.

k) Reception Apparatus for Radiotelephony

Chapter 85, 8527.90: Eliminate the rule of origin applicable to subheading 8527.90 and replace it with the following rule:

8527.90A change to subheading 8527.90 from any other subheading.

l) Televisions

Chapter 85, 8528.12.dd, 8528.12.ee: Eliminate the rule of origin applicable to tariff item 8528.12.dd and 8528.12.ee and replace it with the following rules:

8528.12.dd A change to tariff item 8528.12.dd from tariff item 8528.12.gg or any other tariff item, except from tariff item 8540.11.cc, 8540.11.dd or 8540.91.aa.

8528.12.ee A change to tariff item 8528.12.ee from tariff item 8528.12.gg or any other tariff item, except from tariff item 8540.12.bb or 8540.91.aa.

Chapter 85, 8528.21.dd, 8528.21.ee: Eliminate the rule of origin applicable to subheading 8528.21.dd and 8528.21.ee and replace it with the following rules:

8528.21.dd A change to tariff item 8528.21.dd from tariff item 8528.21.gg or any other tariff item, except from tariff item 8540.11.cc, 8540.11.dd or 8540.91.aa.

8528.21.ee A change to tariff item 8528.21.ee from tariff item 8528.21.gg or any other tariff item, except from tariff item 8540.12.bb or 8540.91.aa.

Chapter 85, 8528.30.ee: Eliminate the rule of origin applicable to subheading 8528.30.ee and replace it with the following rules:

8528.30.ee A change to the tariff item 8528.30.ee from tariff item 8528.30.gg or any other tariff item, except from tariff item 8540.12.bb or 8540.91.aa.

m) Electric Sound or Visual Signaling Apparatus

Chapter 85, 8531.10, 8531.20: Eliminate the rule of origin applicable to subheading 8531.10 and 8531.20 and replace it with the following rules:

8531.10 – 8531.20 A change to subheading 8531.10 to 8531.20 from any other subheading including other subheading within the group.

n) Alarms

Chapter 85, Chapter 85, 8531.80: Eliminate the rule of origin applicable to subheading 8531.80 and replace it with the following rules:

8531.80 A change to subheading 8531.80 from any other subheading.

o) Lamps, Electronic Cold and Warm Cathode or Photocathode Tubes and Valves

Chapter 85, 8540.40-8540.60, 8540.71-8540.79, 8540.81-8540.89: Eliminate the rule of origin applicable to subheading 8540.40-8540.60, 8540.71-8540.79 and 8540.81-8540.89 and replace it with the following rules:

8540.40–8540.60 A change to subheading 8540.40 to 8540.60 from any other subheading outside the group.

8540.71-8540.89 A change to subheading 8540.71 to 8540.89 from any other subheading including other subheading within the group.

p) Electrical Machines and Apparatus

Chapter 85, 8543.11-8543.19, 8543.20-8543.30 and 8543.40-8543.89: Eliminate the rule of origin applicable to subheading 8543.11-8543.81, tariff item 8543.89.aa and subheading 8543.89 and replace it with the following rules:

8543.11-8543.19 A change to subheading 8543.11 a 8543.19 from any other subheading outside the group.

8543.20-8543.30 A change to subheading 8543.20 to 8543.30 from any other subheading including other subheading within the group.

8543.40-8543.89 A change to subheading 8543.40 to 8543.89 from any other subheading outside the group.

q) Insulated Electric Conductors

Chapter 85, 8544.51: Eliminate the rule of origin applicable to subheading 8544.11-8544.60 and replace it with the following rules:

8544.11-8544.60 A change to subheading 8544.11 to 8544.60 from any other subheading outside that group; or

A change to subheading 8544.11 to 8544.60 from any other subheading within the group, whether or not there are changes to other subheading outside the group, provided there is a regional value content of no less than:

- (a) 45 per cent, when using the transaction value method, or
- (b) 35 per cent, when using the net cost method.

The following Chart illustrates Mexico's share of U.S. imports for Chapters 84 and 85:

Tariff Heading	U.S. Imports (US\$ Million)						
	First Supplier	Second Supplier	Third Supplier	Others	Total	Mexico's share	MFN Rate
8407-8408	Japan 3,684.01	Canada 3,133.33	Mexico 2,506.58	--	13,178.05	19.0%	0% - 2.5%
8411.11-8411.82 8411.99	Canada 1,243.40	France 1,077.60	United Kingdom 855.87	Mexico (5th supplier) 274.74	4,771.32	5.8%	0% - 2.5%
8481.40-8481.80	China 816.95	Mexico 812.37	Japan 655.32	--	4,570.93	17.8%	2% - 5.6%
8503	Mexico 223.953	Japan 186.611	Brazil 156.912	--	1,400.191	16.0%	0% - 6.5%
8504.10-8501.23 8504.32-8504.34	Mexico 784.03	China 237.30	Canada 212.69	--	1,678.00	46.7%	0% - 3%
8506.10-8506.40 8506.50-8506.80 8506.90	China 195.96	Japan 89.49	Indonesia 51.87	Mexico (7th supplier) 21.23	542.21	3.9%	2.70%
8517.11-8517.90	China 1,054.90	Malaysia 189.40	Mexico 101.45	--	1,477.89	6.9%	0%
8519.10-8519.99	China 635.62	Japan 116.40	Thailand 86.43	Mexico (7th supplier) 34.63	1,079.50	3.2%	0% - 3.9%

Tariff Heading	U.S. Imports (US\$ Million)						
	First Supplier	Second Supplier	Third Supplier	Others	Total	Mexico's share	MFN Rate
8525.30-8525.40	Japan 3,690.03	China 2,711.10	Malaysia 514.86	Mexico (24th) 1.16	8,258.77	0.0%	0% - 2.1%
8526.10 8526.91-8526.92	Taiwan 491.65	Japan 477.25	Mexico 215.07	--	1,845.84	11.7%	0% - 4.9%
8527.90	Mexico 70.23	Thailand 50.57	China 42.33	--	260.04	27.0%	0% - 6%
8528.12 8528.21 8528.30	Mexico 9,433.19	China 2,896.89	Taiwan 1,334.18	--	17,594.87	53.6%	0% - 5%
8531.10-8531.20	China 453.36	Japan 159.87	Taiwan 159.64	Mexico (4th) 130.41	1,285.27	10.1%	0% - 1.3%
8531.80	China 116.38	Taiwan 100.78	Mexico 76.11	--	526.63	14.5%	1.30%
8540.40-8540.60 8540.71-8540.79 8540.81-8540.89 8543.11-8543.19 8543.20-8543.30 8543.40-8543.89	Japan 580.46	China 550.42	Mexico 494.59	--	3,070.96	16.1%	0% - 4.2%
8544.51	Mexico 747.47	China 592.24	Philippines 66.43	--	1,683.80	44.4%	0% - 2.6%

Source: Trade Intelligence (Inteligencia Comercial) at www.iqom.com

Interested parties should send their comments to:

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