



Overview

Textile and apparel goods put up in sets for retail sale, classified as result of the application of Rule 3 of the General Rules of Interpretation under the HTSUS, shall not be regarded as originating unless each good in the set is an originating good or the total value of the non-originating goods in the set does not exceed 10 percent of the value of the set (determined under General Note 11). This is a new provision under the new United States-Mexico-Canada Agreement (USMCA) and there is no such provision in the North American Free Trade Agreement (NAFTA).

References

- **USMCA**
 - *Final Text*: Chapter 6, Articles 6.1.4 and 6.1.5
 - *HR 5430 Citation*: Title II, Section 202(m)(2)(A) or (B)
 - General Note 11
- **NAFTA**
 - No provision.

Significant Changes in USMCA

Provision	USMCA	NAFTA
Treatment of Sets (Textiles)	<p>New provision in USMCA.</p> <ul style="list-style-type: none"> • Textile and apparel goods put up in sets for retail sale, classified per the application of Rule 3 of the General Rules of Interpretation, are considered originating if each of the goods in the set is an originating good or the total value of the non-originating goods in the set does not exceed 10 percent of the value of the set. 	<ul style="list-style-type: none"> • No provision.

Detailed USMCA/NAFTA Side-by-Side

Provision	USMCA	NAFTA
Treatment of Sets (Textiles)	<p>Article 6.1</p> <p>4. Notwithstanding the product-specific rules of origin set out in Annex 4-B (Product-Specific Rules of Origin), textile and apparel goods put up in sets for retail sale, classified as a result of the application of Rule 3 of the General Rules for the Interpretation of the Harmonized System, shall not be originating goods unless each of the goods in the set is an originating good or the total value of the non-originating goods in the set does not exceed 10 percent of the value of the set.</p> <p>5. For the purposes of paragraph 4:</p> <ul style="list-style-type: none"> a) the value of non-originating goods in the set shall be calculated in the same manner as the value of non-originating materials in Chapter 4 (Rules of Origin); and b) the value of the set shall be calculated in the same manner as the value of the good in Chapter 4 (Rules of Origin). 	<ul style="list-style-type: none"> • No provision.

