



Overview

This provision applies to articles of Chapter 63 which allows coated or laminated fabrics used in the assembly of a textile article of Chapter 63 to be of any source. However, effective 18 months after entry-into-force of the USMCA Agreement, a good of Chapter 63 that is made of fabric classified in 5903, will be considered originating if all of the fabrics used in the production of the fabrics of heading 5903 are formed and finished one or more of the parties to the Agreement, with exceptions.

The provision applies to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good.

This is a new provision under the new United States-Mexico-Canada Agreement (USMCA). There was no such provision in the North American Free Trade Agreement (NAFTA).

References

- **USMCA**
 - *Final Text*: Chapter 4, Annex 4-B, Section XI
 - *HTSUS*: Chapter 63, Note 2
 - General Note 11
- **NAFTA**
 - No provision.

Significant Changes in USMCA

Provision	USMCA	NAFTA
Coated Fabrics of Chapter 63	<p>New to USMCA</p> <ul style="list-style-type: none"> • Upon entry into force of the USMCA Agreement, fabrics of heading 59.03, used in a good of chapter 63, can be sourced from anywhere. • However, effective eighteen (18) months after entry-into-force, a good of Chapter 63 made of fabric classified in 5903, is considered to be originating only if all the fabrics used in the production of the fabrics of heading 5903 are formed and finished in Canada, Mexico or the United States. • Exceptions: <ul style="list-style-type: none"> ○ 6305 – Bags; ○ 6306.12 – Tarpaulins, awnings, and sun-blinds of synthetic fibers; and ○ 6306.22 – Tents of synthetic fibers, and miscellaneous made-up articles of subheading 6307.90 that are not surgical towels or national flags. 	<ul style="list-style-type: none"> • No provision.

