



CUSMA PRODUCT QUALIFICATION GUIDE



GATHER THE ESSENTIALS

- 10 Digit HS code
- Bill of materials with origin/cost of each component input into the product under review
- Details of each manufacturing and processing step, indicating where each step takes place
- Incoterms of each item and value or total cost of each component (for RVC method, if needed)



SCREEN OUT DISQUALIFIERS

- Only minimal operations (e.g., simple packaging, washing, labeling) were performed
- Goods did not remain under customs control (not direct shipment)
- Doesn't meet chapter notes imposing extra rules (e.g., textiles, chemicals, autos)



APPLY THE CORRECT RULE OF ORIGIN

- CTC (Tariff Shift) – verify if non-originating inputs change classification per HS code of each component
- RVC (Regional Value Content) – Build-up, Build-down, or Net Cost method
- Specific processing – e.g., chemical reaction, spinning/weaving



FLEXIBILITIES (WHEN CLOSE)

- De minimis rule (up to 10% in many cases)
- Accumulation – components from US/CA/MX count as originating goods
- Fungible goods/materials – FIFO/LIFO/average methods
- Sets – qualify if each item qualifies or non-originating portion \leq limit



SPECIAL SECTOR RULES

- Textiles/Apparel – yarn-forward/fabric-forward rules
- Automotive – detailed RVC, steel/aluminum, labor value content
- Chemicals/Plastics – often require chemical reaction/process



EVIDENCE TO KEEP ON FILE

- Supplier origin statements available for each component
- Production records and any invoices that support the manufacturing process
- Inventory method records (if fungible)
- Determination of HS codes and value for each component in the finished product