

No. C-II 15012/04/2016-Ch-III
Government of India
Ministry of Chemicals & Fertilizers
Department of Chemicals & Petrochemicals

Shastri Bhawan, New Delhi
Dated 19th July, 2016

To

As per List attached 

Subject: Inputs on rules of origin under the India MERCOSUR Preferential Trade Agreement (PTA).

Sir/Madam,

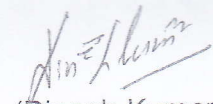
Please find enclosed herewith a copy of OM No. 8/3/2010-RMTR dated 28.06.2016 received from Department of Commerce on the subject cited above.

2. Department of Commerce has proposed expansion of India-MERCOSUR PTA. MERCOSUR consists of 4 countries – Argentina, Brazil, Paraguay and Uruguay. One of the key areas of negotiations under the PTA is the rules of origin. These are rules conferring origin to goods for availing of tariff (or customs duty) preferences for export under the PTA. Normally, the criteria used is both CTC (change in tariff classification), value addition etc.

3. In the current India-MERCOSUR PTA, the general rules of origin prescribes a 60% value addition with the final process of manufacture occurring in the exporting country. The formula for value addition is expressed as the total value of both non-originating material and material of unknown origin not exceeding 40% of the total FOB value of exports.

4. In this context, you are requested to furnish your comments/inputs at the HS 6 digit level in a format prescribed in the proforma (enclosed) to this Department **latest by 25.07.2016 positively** so as to enable us to forward the same to the Department of Commerce.

Yours faithfully,

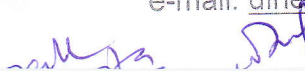

(Dinesh Kumar)

Director

Tel: 011-23386047

e-mail: dinesh.k72@gov.in

Encl: As above



RMTR Division
Department of Commerce
Ministry of Commerce and Industry
Government of India

28 June, 2016

OFFICE MEMORANDUM

Subject: Inputs on rules of origin under the India Mercosur Preferential Trade Agreement (PTA)

1. This is with reference to the proposed expansion of the India-Mercosur PTA. The Mercosur consists of 4 countries namely Argentina, Brazil, Paraguay and Uruguay. One of the key area of negotiations under the PTA is the rules of origin. These are rules conferring the origin to goods for availing of tariff (or customs duty) preferences for exports under the PTA. Normally, the criteria used is both CTC (change in tariff classification), value addition etc.
2. In the current India-Mercosur PTA, the general rules of origin prescribes a 60% value addition with the final process of manufacture occurring in the exporting country. The formula for value addition is expressed as the total value of both non-originating material and material of unknown origin not exceeding 40% of the total FOB value of exports.
3. We would request you to provide your inputs at the HS 6 digit level in the following format by 14 July, 2016.

HS 6 digit	Description	Rule as per the actual process of production and assuming all inputs are imported. (Rule proposed and the rationale thereof (production cycle i.e. inputs, raw materials, semi-finished goods; cost structure; production; capacity utilization)


Bipin Menon
Director

Tel: 23062577, Email: d1rmtr-doc@nic.in

As per list attached: