

GENERAL AGREEMENT ON

RESTRICTED

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TARIFFS AND TRADE

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Committee on Government Procurement

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RULES OF ORIGIN IN IMPLEMENTING AND REPORTING GOVERNMENT PROCUREMENT CODE OBLIGATIONS

Information from the United States

At its meeting of 7 October 1988, the Committee agreed to invite the Parties to explain in writing the rules of origin they used (i) for implementing obligations; and (ii) for statistical reports (ref. GPR/M/31, paragraphs 42 and 47).

The reply received from the United States is reproduced below.

The rule of origin used to determine origin of foreign products for Code-covered procurements is:

- (i) wholly a product of a Code country, or
- (ii) a product substantially transformed in a Code country. A product is substantially transformed in a Code country if a change in its characteristics has been made there. The origin is the last place (country) where the item becomes a "functional end product". The origin of the components is not considered.

The United States uses the same rule of origin for implementing its Code obligations as for reporting its statistics.