

# TRANS-PACIFIC PARTNERSHIP AGREEMENT

## CHAPTER SUMMARY: TEXTILES AND APPAREL

The Trans-Pacific Partnership Agreement (TPP) Textiles and Apparel Chapter applies exclusively to trade in textiles and apparel goods.

### MORE INFORMATION ON THE CHAPTER

#### Rules of origin

The Chapter contains rules of origin specific to textile and apparel goods. These rules of origin are specified on a product by product basis and determine whether a good is eligible for preferential tariff treatment under the TPP. The rules of origin are designed to reflect how textile and apparel goods are made and focus on the physical characteristics of the goods (as opposed to the value of the inputs).

The rules of origin disciplines for textiles include elements such as a varied '*de minimis*' rule and a short supply list of products. A '*de minimis*' provision is one that allows the use of small amounts of materials, based on weight, that otherwise would not be permitted under the rule of origin. The short supply list identifies particular materials in short supply in the TPP region that may be sourced from non-TPP members without affecting the eligibility of the good for preferential tariff treatment under the TPP.

TPP Parties may also give duty-free or preferential tariff treatment under the TPP to certain handmade or folkloric goods, such as hand-loomed fabrics.

#### Safeguards

The Chapter provides TPP Parties with the option to use a safeguard for textile and apparel goods that is different from the global safeguard in the TPP Trade Remedies Chapter. The safeguard means that if a textile or apparel good benefiting from preferential tariff treatment is imported in such increased quantities as to threaten or cause serious damage to a particular domestic industry, then the importing party may temporarily increase the tariff applied to that good.

TPP Parties are not required to use the alternative safeguard mechanism and can utilise the global safeguard in the Trade Remedies Chapter if they prefer. TPP Parties may not apply the textiles specific alternative safeguard mechanism and the global safeguard to the same good at the same time.

#### Customs cooperation, monitoring, verification and determinations

The Chapter encourages TPP Parties to cooperate with each other to facilitate the enforcement of their customs measures as they relate to textile or apparel goods. These provisions broadly mirror requirements in the TPP Customs Administration and Trade Facilitation Chapter. The Textiles and Apparel Chapter also allows for cooperative arrangements between customs authorities for law enforcement purposes and provide customs authorities with procedures to verify claims for preferential tariff treatment under the TPP for textile and apparel goods.





An importing TPP Party may request a site visit, including to access records and facilities, to investigate and verify a claim for preferential tariff treatment. The Chapter sets out general principles guiding this process, including the sharing of information related to a visit and visit facilitation.

The Chapter outlines the circumstances in which, following verification, an importing TPP Party may deny a claim for preferential tariff treatment under the TPP.

#### Committee on Textiles and Apparel Trade Matters

A Committee on Textiles and Apparel Trade Matters is established to provide a forum for review of the implementation of the Chapter, consultation on technical and interpretative difficulties that may arise, and discussion of ways to improve cooperation under the Chapter.