

either Party or both Parties and are fit only for the recovery of raw materials; and

- i) goods produced in the territory of either Party or both Parties exclusively from goods referred to in subparagraphs (a) to (h) inclusive or from their derivatives, at any stage of production.

materials means goods, other than those included as part of the direct cost of processing or assembling, used or consumed in the production of other goods;

value of materials originating in the territory of either Party or both Parties means the aggregate of:

- a) the price paid by the producer of an exported good for materials originating in the territory of either Party or both Parties or for materials imported from a third country used or consumed in the production of such originating materials; and
- b) when not included in that price, the following costs related thereto:
 - i) freight, insurance, packing and all other costs incurred in transporting any of the materials referred to in subparagraph (a) to the location of the producer;
 - ii) duties, taxes and brokerage fees on such materials paid in the territory of either Party or both Parties;
 - iii) the cost of waste or spoilage resulting from the use or consumption of such materials, less the value of renewable scrap or by-product; and
 - iv) the value of goods and services relating to such materials determined in accordance with subparagraph 1(b) of Article 8 of the *Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade*; and

value of the goods when exported to the territory of the other Party means the aggregate of:

- a) the price paid by the producer for all materials, whether or not the materials originate in either Party or both Parties, and, when not included in the price paid for the materials, the following costs related thereto:
 - i) freight, insurance, packing and all other costs incurred in transporting all materials to the location of the producer;
 - ii) duties, taxes and brokerage fees on all materials paid in the territory of either Party or both Parties;