

## **Article 302: Transshipment**

Goods exported from the territory of one Party originate in the territory of that Party only if they meet the applicable requirements of Article 301 and are shipped to the territory of the other Party without having entered the commerce of any third country and, if shipped through the territory of a third country, they do not undergo any operations other than unloading, reloading, or any operation necessary to transport them to the territory of the other Party or to preserve them in good condition, and the documents related to their exportation and shipment from the territory of a Party show the territory of the other Party as their final destination.

## **Article 303: Consultation and Revision**

The Parties shall consult regularly to ensure that the provisions of this Chapter are administered effectively, uniformly and consistently with the spirit and intent of this Agreement. If either Party concludes that the provisions of this Chapter require revision to take account of developments in production processes or other matters, the proposed revision along with supporting rationale and any studies shall be submitted to the other Party for consideration and any appropriate action pursuant to Article 2104.

## **Article 304: Definitions**

For purposes of this Chapter:

**direct cost of processing or direct cost of assembling** means the costs directly incurred in, or that can reasonably be allocated to, the production of goods, including:

- a) the cost of all labour, including benefits and on-the-job training, labour provided in connection with supervision, quality control, shipping, receiving, storage, packaging, management at the location of the process or assembly, and other like labour, whether provided by employees or independent contractors;
- b) the cost of inspecting and testing the goods;
- c) the cost of energy, fuel, dies, molds, tooling, and the depreciation and maintenance of machinery and equipment, without regard to whether they originate within the territory of a Party;
- d) development, design, and engineering costs;