

# U.S. - Jordan Free Trade Agreement

The United States and Jordan continue to benefit from an extensive economic partnership. A key element of this relationship is the United States-Jordan Free Trade Agreement (FTA), which entered into force on December 17, 2001, and was implemented fully on January 1, 2010. In addition, the Qualifying Industrial Zones (QIZs) program, established by the U.S. Congress in 1996, allows products to enter the United States duty free if manufactured in Jordan, Egypt, or the West Bank and Gaza, with a specified amount of Israeli content.

# **Rules of Origin**

Articles can qualify by either being wholly grown/produced/manufactured in a party or by substantial transformation with a value-added content.

Apply to any article if:

- (a) that article is wholly the growth, product or manufacture of a Party or is a new or different article of commerce that has been grown, produced, or manufactured in a Party;
- (b) that article is imported directly from one Party into the other Party; and
- (c) the sum of
  - (i) the cost or value of the materials produced in the exporting Party, plus
  - (ii) the direct costs of processing operations performed in the exporting Party

is not less than 35 percent of the appraised value of the article at the time it is entered into the other Party.

Note, the cost or value of materials which are used in the production of an article in one Party, and which are products of the other Party, may be counted in an amount up to 15 percent of the appraised value of the article.

For definition of the above terms, see USTR U.S.-Jordan FTA.

#### In addition to the above rules of origin, there may be other ways to qualify your product:

- <u>Accumulation</u> may allow the producer to reduce the value of the non-originating materials used in the production of the good.
- <u>De Minimis</u> allows the exporter to disregard a very small percentage of non-originating materials the do no meet a tariff shift rule.

- Direct Shipment are goods which must be shipped directly from one FTA party to another FTA party.
- <u>Fungible Goods and Materials</u> refers to goods or materials (components) that are interchangeable for commercial purposes and whose properties are essentially identical. (There is no provision for fungible goods in this FTA).
- <u>Indirect Materials</u> are goods used in the production, testing or inspection of a good but not physically incorporated into the good (There is no provision for indirect materials in this FTA).

## **Claiming/Documenting Origin**

Importer shall be prepared to submit to the customs authorities of the importing country, upon request, a declaration setting forth all pertinent information concerning the production or manufacture of the article.

### **Key Links/Resources**

- USTR U.S.-Jordan FTA
- Textiles Overview
- CBP Side-by-Side Comparison of FTAs
- U.S. Commercial Service Jordan
- FTA Tariff Tool
- FTA Help Center