of a textile or apparel good that is 
a yarn, fabric, or fiber, the term “com-
ponent of the good that determines the 
tariff classification of the good” means 
all of the fibers in the good.

[CBP Dec. 08-22, 73 FR 33678, June 13, 2008, as 
amended by CBP Dec. 10-26, 75 FR 50699, Aug. 
17, 2010]

§ 10.599 Fungible goods and materials.

(a) General. A person claiming that a 
fungible good or material is an origi-
nating good may base the claim either 
on the physical segregation of the fun-
gible good or material or by using an 
inventory management method with 
respect to the fungible good or mate-
rial. For purposes of this section, the 
term “inventory management method” 
means:

(1) Averaging;
(2) “Last-in, first-out;”
(3) “First-in, first-out;” or
(4) Any other method that is recog-
nized in the Generally Accepted Ac-
counting Principles of the Party in 
which the production is performed or 
otherwise accepted by that country.

(b) Duration of use. A person selecting 
an inventory management method 
under paragraph (a) of this section for 
a particular fungible good or material 
must continue to use that method for 
that fungible good or material 
throughout the fiscal year of that per-
son.

§ 10.600 Accessories, spare parts, or 
tools.

(a) General. Accessories, spare parts, 
or tools that are delivered with a good 
and that form part of the good’s stand-
ard accessories, spare parts, or tools 
will be treated as originating goods if 
the good is an originating good, and 
will be disregarded in determining 
whether all the non-originating mate-
rials used in the production of the good 
undergo an applicable change in tariff 
classification specified in General Note 
29(n), HTSUS, provided that:

(1) The quantities and value of the 
accessories, spare parts, or tools are 
customary for the good. 

(2) The quantities and value of the 
accessories, spare parts, or tools are 
customary for the good.

(a) Regional value content. If the good 
is subject to a regional value content 
requirement, the value of the access-
ories, spare parts, or tools is taken 
into account as originating or non-
originating materials, as the case 
may be, in calculating the regional value 
content of the good under §10.595 of 
this subpart.

§ 10.601 Retail packaging materials 
and containers.

(a) Effect on tariff shift rule. Pack-
aging materials and containers in 
which a good is packaged for retail 
sale, if classified with the good for 
which preferential tariff treatment 
under the CAFTA–DR is claimed, will 
be disregarded in determining whether 
all non-originating materials used in 
the production of the good undergo 
the applicable change in tariff classifica-
tion set out in General Note 29(n), 
HTSUS.

(b) Effect on regional value content cal-
culation. If the good is subject to a re-
gional value content requirement, the 
value of such packaging materials and 
containers will be taken into account 
as originating or non-originating mate-
rials, as the case may be, in calculating 
the regional value content of the good.

Example 1. Guatemalan Producer A of good 
C imports 100 non-originating blister pack-
ages to be used as retail packaging for good 
C. As provided in §10.596(a)(1) of this subpart, 
the value of the blister packages is their ad-
justed value, which in this case is $10. Good 
C has a regional value content requirement. 
The United States importer of good C decides 
to use the build-down method, 
$$ RVC = \left(\frac{AV-VNM}{AV}\right) \times 100 $$ 
(see §10.595(b) of this sub-
part), in determining whether good C satis-
ﬁes the regional value content requirement. 

In applying this method, the non-originating 
blister packages are taken into account 
as non-originating. As such, their $10 adjusted 
value is included in the VNM, value of non-
originating materials, of good C.

Example 2. Same facts as in Example 1, ex-
cept that the blister packages are origi-
nating. In this case, the adjusted value of 
the originating blister packages would not be in-
cluded as part of the VNM of good C under 
the build-down method. However, if the U.S. 
importer had used the build-up method, RVC
§ 10.602 Packing materials and containers for shipment.

(a) Effect on tariff shift rule. Packing materials and containers for shipment, as defined in §10.593(m) of this subpart, are to be disregarded in determining whether the non-originating materials used in the production of the good undergo an applicable change in tariff classification set out in General Note 29(n), HTSUS. Accordingly, such materials and containers are not required to undergo the applicable change in tariff classification even if they are non-originating.

(b) Effect on regional value content calculation. Packing materials and containers for shipment, as defined in §10.593(m) of this subpart, are to be disregarded in determining the regional value content of a good imported into the United States. Accordingly, in applying the build-down, build-up, or net cost method for determining the regional value content of a good imported into the United States, the value of such packing materials and containers for shipment (whether originating or non-originating) is disregarded and not included in AV, adjusted value, VNM, value of non-originating materials, VOM, value of originating materials, or NC, net cost of a good.

Example. Producer A of the Dominican Republic produces good C. Producer A ships good C to the United States in a shipping container that it purchased from Company B in the Dominican Republic. The shipping container is originating. The value of the shipping container determined under section §10.596(a)(2) of this subpart is $3. Good C is subject to a regional value content requirement. As provided in §10.594(b)(1) of this subpart and General Note 29(n), each of the non-originating materials in good C must undergo the specified change in tariff classification in order for good C to be considered originating. Although non-originating material A must undergo the applicable tariff shift in order for good C to be considered originating, the rubber gloves do not because they are indirect materials and are considered originating without regard to where they are produced.

§ 10.604 Transit and transshipment.

(a) General. A good that has undergone production necessary to qualify as an originating good under §10.594 of this subpart will not be considered an originating good if, subsequent to that production, the good:

(1) Undergoes further production or any other operation outside the territories of the Parties, other than unloading, reloading, or any other operation necessary to preserve the good in good condition or to transport the good to the territory of a Party; or

(2) Does not remain under the control of customs authorities in the territory of a non-Party.

(b) Documentary evidence. An importer making a claim that a good is originating may be required to demonstrate to CBP’s satisfaction, that the conditions and requirements set forth in paragraph (a) of this section were met. An importer may demonstrate compliance with this section by submitting documentary evidence. Such evidence may include, but is not limited to, bills of lading, airway bills, packing lists, commercial invoices, receiving and inventory records, and customs entry and exit documents.