

## § 10.787

data interchange system to the importer that sets forth the following:

(a) A description of the good that was the subject of the verification together with the identifying numbers and dates of the export and import documents pertaining to the good;

(b) A statement setting forth the findings of fact made in connection with the verification and upon which the determination is based; and

(c) With specific reference to the rules applicable to originating goods as set forth in General Note 27, HTSUS, and in §§10.769 through 10.777 of this subpart, the legal basis for the determination.

### PENALTIES

#### § 10.787 Violations relating to the MFTA.

All criminal, civil, or administrative penalties which may be imposed on U.S. importers for violations of the customs and related laws and regulations will also apply to U.S. importers for violations of the laws and regulations relating to the MFTA.

#### GOODS RETURNED AFTER REPAIR OR ALTERATION

#### § 10.788 Goods re-entered after repair or alteration in Morocco.

(a) *General.* This section sets forth the rules that apply for purposes of obtaining duty-free treatment on goods returned after repair or alteration in Morocco as provided for in subheadings 9802.00.40 and 9802.00.50, HTSUS. Goods returned after having been repaired or altered in Morocco, whether or not pursuant to a warranty, are eligible for duty-free treatment, provided that the requirements of this section are met. For purposes of this section, “repairs or alterations” means restoration, addition, renovation, re-dyeing, cleaning, re-sterilizing, or other treatment which does not destroy the essential characteristics of, or create a new or commercially different good from, the good exported from the United States.

(b) *Goods not eligible for treatment.* The duty-free treatment referred to in paragraph (a) of this section will not apply to goods which, in their condition as exported from the United States to Morocco, are incomplete for

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their intended use and for which the processing operation performed in Morocco constitutes an operation that is performed as a matter of course in the preparation or manufacture of finished goods.

(c) *Documentation.* The provisions of §10.8(a), (b), and (c) of this part, relating to the documentary requirements for goods entered under subheading 9802.00.40 or 9802.00.50, HTSUS, will apply in connection with the entry of goods which are returned from Morocco after having been exported for repairs or alterations and which are claimed to be duty free.

### Subpart N—United States-Bahrain Free Trade Agreement

SOURCE: CBP Dec. 07–81, 72 FR 58515, Oct. 16, 2007, unless otherwise noted.

#### GENERAL PROVISIONS

#### § 10.801 Scope.

This subpart implements the duty preference and related customs provisions applicable to imported goods under the United States-Bahrain Free Trade Agreement (the BFTA) signed on September 14, 2004, and under the United States-Bahrain Free Trade Agreement Implementation Act (the Act; 119 Stat. 3581). Except as otherwise specified in this subpart, the procedures and other requirements set forth in this subpart are in addition to the customs procedures and requirements of general application contained elsewhere in this chapter. Additional provisions implementing certain aspects of the BFTA and the Act are contained in parts 24, 102, 162, and 163 of this chapter.

#### § 10.802 General definitions.

As used in this subpart, the following terms will have the meanings indicated unless either the context in which they are used requires a different meaning or a different definition is prescribed for a particular section of this subpart:

(a) *Claim of origin.* “Claim of origin” means a claim that a good is an originating good or a good of a Party;

(b) *Claim for preferential tariff treatment.* “Claim for preferential tariff treatment” means a claim that a good

is entitled to the duty rate applicable under the BFTA to an originating good or other good specified in the BFTA, and to an exemption from the merchandise processing fee;

(c) *Customs Valuation Agreement*. “Customs Valuation Agreement” means the *Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994*, which is part of the WTO Agreement;

(d) *Customs duty*. “Customs duty” includes any customs or import duty and a charge of any kind imposed in connection with the importation of a good, including any form of surtax or surcharge in connection with such importation, but does not include any:

(1) Charge equivalent to an internal tax imposed consistently with Article III:2 of the GATT 1994; in respect of like, directly competitive, or substitutable goods of the Party, or in respect of goods from which the imported good has been manufactured or produced in whole or in part;

(2) Antidumping or countervailing duty; and

(3) Fee or other charge in connection with importation commensurate with the cost of services rendered;

(e) *Days*. “Days” means calendar days;

(f) *Enterprise*. “Enterprise” means any entity constituted or organized under applicable law, whether or not for profit, and whether privately-owned or governmentally-owned, including any corporation, trust, partnership, sole proprietorship, joint venture, or other association;

(g) *Foreign material*. “Foreign material” means a material other than a material produced in the territory of one or both of the Parties;

(h) *GATT 1994*. “GATT 1994” means the *General Agreement on Tariffs and Trade 1994*, which is part of the WTO Agreement;

(i) *Good*. “Good” means any merchandise, product, article, or material;

(j) *Harmonized System*. “Harmonized System (HS)” means the *Harmonized Commodity Description and Coding System*, including its General Rules of Interpretation, Section Notes, and Chapter Notes, as adopted and implemented by the Parties in their respective tariff laws;

(k) *Heading*. “Heading” means the first four digits in the tariff classification number under the Harmonized System;

(l) *HTSUS*. “HTSUS” means the *Harmonized Tariff Schedule of the United States* as promulgated by the U.S. International Trade Commission;

(m) *Originating*. “Originating” means a good qualifying under the rules of origin set forth in General Note 30, HTSUS, and BFTA Chapter Three (Textiles and apparel) or Chapter Four (Rules of Origin);

(n) *Party*. “Party” means the United States or the Kingdom of Bahrain;

(o) *Person*. “Person” means a natural person or an enterprise;

(p) *Preferential tariff treatment*. “Preferential tariff treatment” means the duty rate applicable under the BFTA to an originating good and an exemption from the merchandise processing fee;

(q) *Subheading*. “Subheading” means the first six digits in the tariff classification number under the Harmonized System;

(r) *Textile or apparel good*. “Textile or apparel good” means a good listed in the Annex to the Agreement on Textiles and Clothing (commonly referred to as “the ATC”), which is part of the WTO Agreement;

(s) *Territory*. “Territory” means:

(1) With respect to Bahrain, the territory of Bahrain as well as the maritime areas, seabed, and subsoil over which Bahrain exercises, in accordance with international law, sovereignty, sovereign rights, and jurisdiction; and

(2) With respect to the United States,

(i) The customs territory of the United States, which includes the 50 states, the District of Columbia, and Puerto Rico,

(ii) The foreign trade zones located in the United States and Puerto Rico, and

(iii) Any areas beyond the territorial seas of the United States within which, in accordance with international law and its domestic law, the United States may exercise rights with respect to the seabed and subsoil and their natural resources; and

(t) *WTO Agreement*. “WTO Agreement” means the *Marrakesh Agreement Establishing the World Trade Organization* of April 15, 1994.

IMPORT REQUIREMENTS

**§ 10.803 Filing of claim for preferential tariff treatment upon importation.**

An importer may make a claim for BFTA preferential tariff treatment for an originating good by including on the entry summary, or equivalent documentation, the symbol “BH” as a prefix to the subheading of the HTSUS under which each qualifying good is classified, or by the method specified for equivalent reporting via an authorized electronic data interchange system.

**§ 10.804 Declaration.**

(a) *Contents.* An importer who claims preferential tariff treatment for a good under the BFTA must submit to CBP, at the request of the port director, a declaration setting forth all pertinent information concerning the growth, production, or manufacture of the good. A declaration submitted to CBP under this paragraph:

(1) Need not be in a prescribed format but must be in writing or must be transmitted electronically pursuant to any electronic means authorized by CBP for that purpose;

(2) Must include the following information:

(i) The legal name, address, telephone, and e-mail address (if any) of the importer of record of the good;

(ii) The legal name, address, telephone, and e-mail address (if any) of the responsible official or authorized agent of the importer signing the declaration (if different from the information required by paragraph (a)(2)(i) of this section);

(iii) The legal name, address, telephone and e-mail address (if any) of the exporter of the good (if different from the producer);

(iv) The legal name, address, telephone and e-mail address (if any) of the producer of the good (if known);

(v) A description of the good, which must be sufficiently detailed to relate it to the invoice and HS nomenclature, including quantity, numbers, invoice numbers, and bills of lading;

(vi) A description of the operations performed in the growth, production, or manufacture of the good in territory of one or both of the Parties and, where

applicable, identification of the direct costs of processing operations;

(vii) A description of any materials used in the growth, production, or manufacture of the good that are wholly the growth, product, or manufacture of one or both of the Parties, and a statement as to the value of such materials;

(viii) A description of the operations performed on, and a statement as to the origin and value of, any materials used in the article that are claimed to have been sufficiently processed in the territory of one or both of the Parties so as to be materials produced in one or both of the Parties, or are claimed to have undergone an applicable change in tariff classification specified in General Note 30(h), HTSUS; and

(ix) A description of the origin and value of any foreign materials used in the good that have not been substantially transformed in the territory of one or both of the Parties, or have not undergone an applicable change in tariff classification specified in General Note 30(h), HTSUS;

(3) Must include a statement, in substantially the following form:

“I certify that:

The information on this document is true and accurate and I assume the responsibility for proving such representations. I understand that I am liable for any false statements or material omissions made on or in connection with this document;

I agree to maintain and present upon request, documentation necessary to support these representations;

The goods comply with all the requirements for preferential tariff treatment specified for those goods in the United States-Bahrain Free Trade Agreement; and

This document consists of \_\_\_\_\_ pages, including all attachments.”

(b) *Responsible official or agent.* The declaration must be signed and dated by a responsible official of the importer or by the importer’s authorized agent having knowledge of the relevant facts.

(c) *Language.* The declaration must be completed in the English language.

(d) *Applicability of declaration.* The declaration may be applicable to:

(1) A single importation of a good into the United States, including a single shipment that results in the filing of one or more entries and a series of