



### Overview

The accumulation provision allows the producer or exporter of goods to choose to include as part of the goods' regional value content any regional value added by suppliers of non-originating materials used to produce the final goods. This fact sheet highlights key changes from the North American Free Trade Agreement (NAFTA).

### References

- **USMCA**
  - *Final Text:* Chapter 4, Article 4.11
- **NAFTA**
  - *Final Text:* Chapter 4, Article 404
  - General Note 12(e)

### Significant Changes in USMCA

Provision	USMCA	NAFTA
<b>Accumulation Rules</b>	USMCA allows the production undertaken on a non-originating material in the territory of one of the parties to contribute toward the originating status of a good regardless of whether that production was sufficient to confer originating status to the material itself.	All non-originating materials used in the production of the goods must undergo the tariff classification change set out in Annex 401 of the Agreement, entirely in the territory of one or more of the NAFTA countries.
<b>Production on a Non-Originating Material</b>	Production undertaken on a non-originating material in one or more of the Parties contributes to the originating status of the good, regardless of whether that production was sufficient to confer originating status to the material itself.	Production of the good in the territory of Canada, Mexico, and/or the United States by one or more producers shall, at the choice of the exporter or producer of the good for which preferential tariff treatment is claimed, be considered to have been performed in the territory of a NAFTA party by that exporter or producer, provided that all applicable requirements are met.

### Detailed USMCA/NAFTA Side-by-Side

Provision	USMCA	NAFTA
<b>Accumulation</b>	<p>1. Each Party shall provide that a good is originating if the good is produced in the territory of one or more of the Parties by one or more producers, provided that the good satisfies the requirements of Article 4.2 (Originating Goods) and all other applicable requirements in this Chapter.</p> <p>2. Each Party shall provide that an originating good or material of one or more of the Parties is considered as originating in the territory of another Party when used as a material in the production of a good in the territory of another Party.</p> <p>3. Each Party shall provide that production undertaken on a non-originating material in the territory of one or more of the Parties may contribute toward the originating status of a good, regardless of whether that production was sufficient to confer originating status to the material itself.</p> <p><i>(Reference: USMCA Article 4.11)</i></p>	<p>1. For purposes of determining whether a good is an originating good, the production of the good in the territory of Canada, Mexico and/or the United States by one or more producers shall, at the choice of the exporter or producer of the good for which preferential tariff treatment is claimed, be considered to have been performed in the territory of a NAFTA party by that exporter or producer, provided that:</p> <ul style="list-style-type: none"> <li>a) all non-originating materials used in the production of the good undergo an applicable tariff classification set out in subdivision (t) of this note,</li> <li>b) the good satisfies any applicable regional value-content requirement, entirely in the territory of one or more of the NAFTA parties; and</li> <li>c) the good satisfies all other applicable requirements of this note.</li> </ul> <p>2. For purposes of subdivision (c)(viii) of this note, the production of a producer that chooses to accumulate its production with that of other producers under subdivision (e)(i) shall be considered to be the production of a single producer.</p> <p><i>(Reference: General Note 12 (e))</i></p>