



Overview

Indirect materials are materials used or consumed in the production, testing, or inspection of a good but not physically incorporated into the good or material used or consumed in the maintenance of buildings or the operation of equipment associated with the production of the good. There was no provisional change from the North American Free Trade Agreement (NAFTA).

References

- **USMCA**
 - *Final Text*: Chapter 4, Article 4.1, 4.9
 - *HR 5430 Citation*: Title II, Section 202(a)(5), (k)
- **NAFTA**
 - *Final Text*: Chapter 4, Rules of Origin, Article 408, 415

Significant Changes in USMCA

Provision	USMCA	NAFTA
Indirect Materials	• No change from NAFTA to USMCA.	

Detailed USMCA/NAFTA Side-by-Side

Provision	USMCA	NAFTA
Indirect Materials	<p>Article 4.1 Definition:</p> <ul style="list-style-type: none"> • An indirect material means a material used in the production, testing, or inspection of a good but not physically incorporated into the good, or a material used in the maintenance of buildings or the operation of equipment associated with the production of a good, including: <ol style="list-style-type: none"> a) fuel and energy; b) tools, dies, and molds; c) spare parts and materials used in the maintenance of equipment and buildings; d) lubricants, greases, compounding materials, and other materials used in production or used to operate equipment and buildings; e) gloves, glasses, footwear, clothing, safety equipment, and supplies; f) equipment, devices, and supplies used for testing or inspecting the goods; g) catalysts and solvents; and h) any other material that is not incorporated into the good but for which the use in the production of the good can reasonably be 	<p>Article 415 Definition:</p> <ul style="list-style-type: none"> • An indirect material means a good used in the production, testing or inspection of a good but not physically incorporated into the good, or a good used in the maintenance of buildings or the operation of equipment associated with the production of a good, including: <ol style="list-style-type: none"> a) fuel and energy; b) tools, dies and molds; c) spare parts and materials used in the maintenance of equipment and buildings; d) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings; e) gloves, glasses, footwear, clothing, safety equipment and supplies; f) equipment, devices, and supplies used for testing or inspecting the goods; g) catalysts and solvents; and h) any other goods that are not incorporated into the good but whose use in the production of the good can reasonably be

Provision	USMCA	NAFTA
	<p>demonstrated to be a part of that production.</p> <p>Article 4.9 Rule:</p> <ul style="list-style-type: none">• An indirect material shall be considered to be an originating material without regard to where it is produced.	<p>demonstrated to be a part of that production.</p> <p>Article 408 Rule:</p> <ul style="list-style-type: none">• An indirect material shall be considered to be an originating material without regard to where it is produced.