

APPENDIX 12

The 23rd APEC Ministers Meeting

Honolulu, Hawaii

11 November 2011

ANNEX D

PATHFINDER ON FACILITATING TRADE IN REMANUFACTURED GOODS

Frequently, exports of remanufactured goods face trade-restrictive non-tariff measures due to a lack of understanding about trade in these goods or concerns over public safety. Examples of these measures are documentation or import licensing requirements, and prohibitions against the importation of used goods. In this context, barriers can arise when economies apply measures concerning the importation of used goods to remanufactured goods or classify remanufactured goods as used goods for customs purposes. The treatment of these high-quality, lower-cost goods as used goods can impede their trade, limit the opportunities for remanufacturing industries to grow in developing and developed economies, and cause the APEC region to miss out on the significant environmental benefits from more robust trade in remanufactured goods. Moreover, the fact that remanufactured goods meet the same technical and safety specifications as newly manufactured goods is what truly distinguishes them from used goods. Information on best practices and focused capacity building efforts (among all APEC economies or on a bilateral basis) will help economies identify remanufactured goods at the border and distinguish them from used goods. The MAG will continue to be a forum for customs and trade policy officials to gain knowledge and experience on these issues in 2011 and beyond.

In 2011, the below economies agree to reflect the following in implementing their current tariff and non-tariff measures or developing future tariff and non-tariff measures:

- *Apply import-related measures specifically concerning used goods only to used goods and refrain from applying them to remanufactured goods.* Remanufactured goods are not used goods. Therefore economies should not be prohibiting or limiting their importation based on reasoning that they use to restrict trade of used goods.
- *Refrain from applying import prohibitions against all remanufactured goods or against remanufactured goods in specific sectors.* If economies do not prohibit the importation of new goods, they should not be prohibiting the importation of remanufactured goods.
- *Treat remanufactured goods like corresponding new goods when applying tariffs or other border charges.* Treatment of remanufactured goods as new goods for customs purposes can further facilitate trade in these products by avoiding the application of higher duties or other charges to remanufactured goods that economies sometimes apply to imports of used goods. For example, an economy would no longer apply the same tariffs to a remanufactured engine or printer cartridge that they might apply to a used engine or printer cartridge. Instead, they would apply the same tariffs to remanufactured printer cartridges that they normally apply to new ones. Economies usually apply lower duties or other charges to new goods than they apply to used goods.

- *Generally apply technical regulations, conformity assessment procedures, and documentation and import licensing requirements concerning new goods to remanufactured goods.* If a remanufactured good meets the technical specifications of the importing economy and can be easily distinguished from used goods by labeling or invoicing, then the importing economy should not require importers to provide additional information. Remanufactured goods should only be subject to import licensing requirements that an economy applies to the importation of new goods.

Future discussions among technical experts and senior-level officials, as well as focused capacity-building activities, such as the September 2011 MAG workshop on managing trade in remanufactured goods at the border, will be conducted to meet the goal of increasing APEC economies' participation in this pathfinder.

List of Participating Economies in the Pathfinder

Japan

United States

Chile

Canada

New Zealand

Chinese Taipei

Papua New Guinea

Australia

Mexico

Singapore

Korea