



**Ministry of Trade and Industry
QIZ Unit**

Announcement no. (40)	No. of pages : (2)
Date : 23/12/2010	<u>Attachment : (3)</u>

The QIZ Unit presents its compliments to Chairmen of all QIZ companies, and would like to bring to your attention what the United States Association of Importers of Textiles and Apparel (USA-ITA) has stated about the difficulties many of its members experiencing in obtaining documentation establishing eligibility for the QIZ preference (duty free treatment).

Given what article no. four of QIZ Protocol states about assisting the US authorities in obtaining information, including means of verification, for the propose of reviewing transactions for which duty-free access into U.S. is claimed

The QIZ Unit would like to stress the importance of what has been mentioned in the following Announcements:

- 1- The Announcement dated 27/3/2006 regarding the documentations and records which the US customs might require for the means of verification of exported shipments under QIZ protocol.*
- 2- The Announcement no. (20) Dated 27/10/2008 about subcontracting.*
- 3- The Announcement no. (30) Dated 28/3/2010 about keeping production documents for a period not less than 2 years.*

In order to avoid those difficulties, the USA-ITA asks that QIZ companies use the following forms when they receive the US importer's request for documentation establishing eligibility for the QIZ preference:



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- *Table of contents (production documents) which includes the following elements (copy is attached):*
 - A- Time line (copy is attached).*
 - B- Factory profile.*
 - C- Purchase order.*
 - D- Fabric purchase, Delivery and payment.*
 - E- Cutting Records.*
 - F- Sewing records*
 - G- Finishing-Ironing-Packing.*
 - H- Inspection Reports.*
 - I- Payroll Records.*
 - J- Payment Records.*
 - K- Shipping Records.*
 - L- Bill of Costs (copy is attached).*

Furthermore, the QIZ Unit would like to refer to some important points which the QIZ companies should care for:

- 1- Production documents must be maintained for a period of two years from the date of shipment.*
- 2- The documents must be translated into English.*
- 3- If the product is classified as a set, e.g. pants and a belt, both components must satisfy the QIZ local content requirements .If the belt does not, the entire set is disqualified.*

The QIZ unit seizes this opportunity to reiterate its compliments to all Chairmen of QIZ companies.