Formulas for Calculating NAFTA Regional Value Content (RVC)

• Transaction Value: 60% is minimum
  
  RVC = \frac{TV - VNM}{TV} \times 100

• Net Cost: 50% is minimum
  
  RVC = \frac{NC - VNM}{NC} \times 100

TV=Transaction Value (amount paid or payable for a good)
NC=Net Cost (amount to produce a good)
VNM=Value of Non-Originating Material