AGREEMENT ON TRADE IN GOODS OF THE FRAMEWORK AGREEMENT ON COMPREHENSIVE ECONOMIC CO-OPERATION BETWEEN THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS AND THE PEOPLE'S REPUBLIC OF CHINA

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic ("Lao PDR"), Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam, Member States of the Association of Southeast Asian Nations (collectively, "ASEAN" or "ASEAN Member States", or individually, "ASEAN Member State"), and the People's Republic of China ("China");

RECALLING the Framework Agreement on Comprehensive Economic Co-operation ("the Framework Agreement") between ASEAN and China (collectively, "the Parties", or individually referring to an ASEAN Member State or to China as a "Party") signed by the Heads of Government/State of ASEAN Member States and China in Phnom Penh, Cambodia on the 4th day of November 2002 and the Protocol to Amend the Framework Agreement on Comprehensive Economic Co-operation on the Early Harvest Programme signed by the Economic Ministers of the Parties in Bali, Indonesia on the 6th day of October 2003;

RECALLING further Articles 2(a), 3(1) and 8(1) of the Framework Agreement, which reflect the Parties' commitment to establish the ASEAN-China Free Trade Area (ACFTA) covering trade in goods by 2010 for ASEAN 6 and China and by 2015 for the newer ASEAN Member States;

REAFFIRMING the Parties' commitment to establish the ASEAN-China Free Trade Area within the specified timeframes, while allowing flexibility to the Parties to address their sensitive areas as provided in the Framework Agreement,

HAVE AGREED AS FOLLOWS:

ARTICLE 1
Definitions

For the purposes of this Agreement, the following definitions shall apply unless the context otherwise requires:

(a) "WTO" means the World Trade Organization;

(b) "the GATT 1994" means the General Agreement on Tariffs and Trade 1994, including Annex I (Notes and Supplementary Provisions);

(c) "ASEAN 6" refers to Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore and Thailand;

(d) "newer ASEAN Member States" refers to Cambodia, Lao PDR, Myanmar and Viet Nam;

(e) "applied MFN tariff rates" shall include in-quota rates, and shall:

  (i) in the case of ASEAN Member States (which are WTO members as of 1 July 2003) and China, refer to their respective applied rates as of 1 July 2003; and

  (ii) in the case of ASEAN Member States (which are non-WTO members as of 1 July 2003), refer to the rates as applied to China as of 1 July 2003;

(f) "non-tariff measures" shall include non-tariff barriers;

(g) "AEM" means ASEAN Economic Ministers;

(h) "MOFCOM" means Ministry of Commerce of China;

(i) "SEOM" means ASEAN Senior Economic Officials Meeting.

ARTICLE 2
National Treatment on Internal Taxation and Regulation

Each Party shall accord national treatment to the products of all the other Parties covered by this Agreement and the Framework Agreement in accordance with Article III of the GATT 1994. To this end, the provisions of Article III of the GATT 1994 shall, *mutatis mutandis*, be incorporated into and form an integral part of this Agreement.

ARTICLE 3
Tariff Reduction and Elimination

1. The tariff reduction or elimination programme of the Parties shall require the applied MFN tariff rates on listed tariff lines to be gradually reduced and where applicable, eliminated, in accordance with this Article.

2. The tariff lines which are subject to the tariff reduction or elimination programme under this Agreement shall include all tariff lines not covered by the Early Harvest Programme under Article 6 of the Framework Agreement, and such tariff lines shall be categorised for tariff reduction and elimination as follows:

(a) Normal Track: Tariff lines placed in the Normal Track by each Party on its own accord shall have their respective applied MFN tariff rates gradually reduced and eliminated in accordance with the modalities set out in Annex 1 of this Agreement with the objective of achieving the targets prescribed in the thresholds therein.

(b) Sensitive Track: Tariff lines placed in the Sensitive Track by each Party on its own accord shall have their respective applied MFN tariff rates reduced or eliminated in accordance with the modalities set out in Annex 2 of this Agreement.

3. Subject to Annex 1 and Annex 2 of this Agreement, all commitments undertaken by each Party under this Article shall be applied to all the other Parties.

ARTICLE 4
Transparency

Article X of the GATT 1994 shall, *mutatis mutandis*, be incorporated into and form an integral part of this Agreement.

ARTICLE 5
Rules of Origin

The Rules of Origin and the Operational Certification Procedures applicable to the products covered under this Agreement and the Early Harvest Programme of the Framework Agreement are set out in Annex 3 of this Agreement.

ARTICLE 6
Modification of Concessions

1. Any Party to this Agreement may, by negotiation and agreement with any Party to which it has made a concession under this Agreement, modify or withdraw such concession made under this Agreement.

2. In such negotiations and agreement, which may include provision for compensatory adjustment with respect to other products, the Parties concerned shall maintain a general level of reciprocal and mutually advantageous concessions not less favourable to trade than that provided for in this Agreement prior to such negotiations and agreement.

ARTICLE 7
WTO Disciplines

1. Subject to the provisions of this Agreement and any future agreements as may be agreed pursuant to reviews of this Agreement by the Parties under Article 17 of this Agreement, the Parties[1] hereby agree and reaffirm their commitments to abide by the provisions of the WTO disciplines on, among others, non-tariff measures, technical barriers to trade, sanitary and phytosanitary measures, subsidies and countervailing measures, anti-dumping measures and intellectual property rights.

2. The provisions of the WTO Multilateral Agreements on Trade in Goods, which are not specifically mentioned in or modified by this Agreement, shall apply, *mutatis mutandis,* to this Agreement unless the context otherwise requires.

ARTICLE 8
Quantitative Restrictions and Non-Tariff Barriers

1. Each Party undertakes not to maintain any quantitative restrictions at any time unless otherwise permitted under the WTO disciplines.[2]

2. The Parties shall identify non-tariff barriers (other than quantitative restrictions) for elimination as soon as possible after the entry into force of this Agreement. The time frame for elimination of these non-tariff barriers shall be mutually agreed upon by all Parties.

3. The Parties shall make information on their respective quantitative restrictions available and accessible upon implementation of this Agreement.

ARTICLE 9
Safeguard Measures

1. Each Party, which is a WTO member, retains its rights and obligations under Article XIX of the GATT 1994 and the WTO Agreement on Safeguards.

2. With regard to ACFTA safeguard measures, a Party shall have the right to initiate such a measure on a product within the transition period for that product. The transition period for a product shall begin from the date of entry into force of this Agreement and end five years from the date of completion of tariff elimination/reduction for that product.

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[1] Non-WTO members of ASEAN shall abide by the WTO provisions in accordance with their accession commitments to the WTO.

[2] Non-WTO members of ASEAN shall phase out their quantitative restrictions 3 years [Viet Nam: 4 years] from the date of entry into force of this Agreement or in accordance with their accession commitments to the WTO, whichever is earlier.

3. A Party shall be free to take ACFTA safeguard measures if as an effect of the obligations incurred by that Party, including tariff concessions under the Early Harvest Programme of the Framework Agreement or this Agreement, or, if as a result of unforeseen developments and of the effects of the obligations incurred by that Party, including tariff concessions under the Early Harvest Programme of the Framework Agreement or this Agreement, imports of any particular product from the other Parties increase in such quantities, absolute or relative to domestic production, and under such conditions so as to cause or threaten to cause serious injury to the domestic industry of the importing Party that produces like or directly competitive products.

4. If an ACFTA safeguard measure is taken, a Party taking such a measure may increase the tariff rate applicable to the product concerned to the WTO MFN tariff rate applied to such product at the time when the measure is taken.

5. Any ACFTA safeguard measure may be maintained for an initial period of up to 3 years and may be extended for a period not exceeding 1 year. Notwithstanding the duration of an ACFTA safeguard measure on a product, such measure shall terminate at the end of the transition period for that product.

6. In applying ACFTA safeguard measures, the Parties shall adopt the rules for the application of safeguard measures as provided under the WTO Agreement on Safeguards, with the exception of the quantitative restriction measures set out in Article 5, and Articles 9, 13 and 14 of the WTO Agreement on Safeguards. As such, all other provisions of the WTO Agreement on Safeguards shall, *mutatis mutandis,* be incorporated into and form an integral part of this Agreement.

7. An ACFTA safeguard measure shall not be applied against a product originating in a Party, so long as its share of imports of the product concerned in the importing Party does not exceed 3% of the total imports from the Parties.

8. In seeking compensation under Article 8 of the WTO Agreement on Safeguards for an ACFTA safeguard measure, the Parties shall seek the good offices of the body referred to in paragraph 12 to determine the substantially equivalent level of concessions prior to any suspension of equivalent concessions. Any proceedings arising from such good offices shall be completed within 90 days from the date on which the ACFTA safeguard measure was applied.

9. On a Party's termination of an ACFTA safeguard measure on a product, the tariff rate for that product shall be the rate that, according to that Party's tariff reduction and elimination schedule, as provided in Annex 1 and Annex 2 of this Agreement, would have been in effect commencing on 1 January of the year in which the safeguard measure is terminated.

10. All official communications and documentations exchanged among the Parties and to the body referred to in paragraph 12 relating to any ACFTA safeguard measures shall be in writing and shall be in the English language.

11. When applying ACFTA safeguard measures, a Party shall not have simultaneous recourse to the WTO safeguard measures referred to in paragraph 1.

12. For the purpose of this Article, any reference to "Council for Trade in Goods" or the "Committee on Safeguards" in the incorporated provisions of the WTO Agreement on Safeguards shall, pending the establishment of a permanent body under paragraph 1 of Article 16, refer to the AEM-MOFCOM, or the SEOM-MOFCOM, as appropriate, which shall be replaced by the permanent body once it is established.

ARTICLE 10
Acceleration of Commitments

Nothing in this Agreement shall preclude the Parties from negotiating and entering into arrangements to accelerate the implementation of commitments made under this Agreement, provided that such arrangements are mutually agreed to and implemented by all the Parties.

ARTICLE 11
Measures to Safeguard the Balance of Payments

Where a Party is in serious balance of payments and external financial difficulties or threat thereof, it may, in accordance with the GATT 1994 and the Understanding on Balance-of-Payments Provisions of the GATT 1994, adopt restrictive import measures.

ARTICLE 12
General Exceptions

Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between the Parties where the same conditions prevail, or a disguised restriction on international trade, nothing in this Agreement shall be construed to prevent the adoption or enforcement by a Party of measures:

(a) necessary to protect public morals;

(b) necessary to protect human, animal or plant life or health;

(c) relating to the importations or exportations of gold or silver;

(d) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement, including those relating to customs enforcement, the enforcement of monopolies operated under paragraph 4 of Article II and Article XVII of the GATT 1994, the protection of patents, trade marks and copyrights, and the prevention of deceptive practices;

(e) relating to the products of prison labour;

(f) imposed for the protection of national treasures of artistic, historic or archaeological value;

(g) relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption;

(h) undertaken in pursuance of obligations under any intergovernmental commodity agreement which conforms to criteria submitted to the WTO and not disapproved by it or which is itself so submitted and not so disapproved;

(i) involving restrictions on exports of domestic materials necessary to ensure essential quantities of such materials to a domestic processing industry during periods when the domestic price of such materials is held below the world price as part of a governmental stabilization plan; *Provided* that such restrictions shall not operate to increase the exports of or the protection afforded to such domestic industry, and shall not depart from the provisions of this Agreement relating to non-discrimination;

(j) essential to the acquisition or distribution of products in general or local short supply; *Provided* that any such measures shall be consistent with the principle that all Parties are entitled to an equitable share of the international supply of such products, and that any such measures, which are inconsistent with the other provisions of this Agreement shall be discontinued as soon as the conditions giving rise to them have ceased to exist.

ARTICLE 13
Security Exceptions

Nothing in this Agreement shall be construed:

(a) to require any Party to furnish any information the disclosure of which it considers contrary to its essential security interests;

(b) to prevent any Party from taking any action which it considers necessary for the protection of its essential security interests, including but not limited to:

(i) action relating to fissionable materials or the materials from which they are derived;

(ii) action relating to the traffic in arms, ammunition and implements of war and to such traffic in other goods and materials as is carried on directly or indirectly for the purpose of supplying a military establishment;

(iii) action taken so as to protect critical communications infrastructure from deliberate attempts intended to disable or degrade such infrastructure;

(iv) action taken in time of war or other emergency in domestic or international relations; or

(c) to prevent any Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.

ARTICLE 14
Recognition of China's Market Economy Status

Each of the ten ASEAN Member States agrees to recognise China as a full market economy and shall not apply, from the date of the signature of this Agreement, Sections 15 and 16 of the Protocol of Accession of the People's Republic of China to the WTO and Paragraph 242 of the Report of the Working Party on the Accession of China to WTO in relation to the trade between China and each of the ten ASEAN Member States.

ARTICLE 15
State, Regional and Local Government

In fulfilling its obligations and commitments under this Agreement, each Party shall ensure their observance by regional and local governments and authorities in its territory as well as their observance by non-governmental bodies (in the exercise of powers delegated by central, state, regional or local governments or authorities) within its territory.

ARTICLE 16
Institutional Arrangements

1. Pending the establishment of a permanent body, the AEM-MOFCOM, supported and assisted by the SEOM-MOFCOM, shall oversee, supervise, coordinate and review the implementation of this Agreement.

2. The ASEAN Secretariat shall monitor and report to the SEOM-MOFCOM on the implementation of this Agreement. All Parties shall cooperate with the ASEAN Secretariat in the performance of its duties.

3. Each Party shall designate a contact point to facilitate communications between the Parties on any matter covered by this Agreement. On the request of a Party, the contact point of the requested Party shall identify the office or official responsible for the matter and assist in facilitating communication with the requesting Party.

ARTICLE 17
Review

1. The AEM-MOFCOM or their designated representatives shall meet within a year of the date of entry into force of this Agreement and then biennially or otherwise as appropriate to review this Agreement for the purpose of considering further measures to liberalise trade in goods as well as develop disciplines and negotiate agreements on matters referred to in Article 7 of this Agreement or any other relevant matters as may be agreed.

2. The Parties shall, taking into account their respective experience in the implementation of this Agreement, review the Sensitive Track in 2008 with a view to improving the market access condition of sensitive products, including the further possible reduction of the number of products in the Sensitive Track and the conditions governing the reciprocal tariff rate treatment of products placed by a Party in the Sensitive Track.

ARTICLE 18
Annexes and Future Instruments

This Agreement shall include:

(a) the Annexes and the contents therein which shall form an integral part of this Agreement: and

(b) all future legal instruments agreed pursuant to this Agreement.

ARTICLE 19
Amendments

This Agreement may be amended by the mutual written consent of the Parties.

ARTICLE 20
Miscellaneous Provisions

Except as otherwise provided in this Agreement, this Agreement or any action taken under it shall not affect or nullify the rights and obligations of a Party under existing agreements to which it is a party.

ARTICLE 21
Dispute Settlement

The Agreement on Dispute Settlement Mechanism between ASEAN and China shall apply to this Agreement.

ARTICLE 22
Depositary

For the ASEAN Member States, this Agreement shall be deposited with the Secretary-General of ASEAN, who shall promptly furnish a certified copy thereof, to each ASEAN Member State.

ARTICLE 23
Entry Into Force

1. This Agreement shall enter into force on 1 January 2005.

2. The Parties undertake to complete their internal procedures for the entry into force of this Agreement prior to 1 January 2005.

3. Where a Party is unable to complete its internal procedures for the entry into force of this Agreement by 1 January 2005, the rights and obligations of that Party under this Agreement shall commence on the date of the completion of such internal procedures.

4. A Party shall upon the completion of its internal procedures for the entry into force of this Agreement notify all the other Parties in writing.

IN WITNESS WHEREOF, the undersigned being duly authorised by their respective Governments, have signed this Agreement on Trade in Goods of the Framework Agreement on Comprehensive Economic Co-operation between the Association of Southeast Asian Nations and the People's Republic of China.

DONE at, Vientiane, Lao PDR this Twenty Ninth Day of November in the Year Two Thousand and Four, in duplicate copies in the English Language.

For Brunei Darussalam

PEHIN DATO ABDUL RAHMAN TAIB
Minister of Industry and Primary Resources

For the People's Republic of China

BO XILAI
Minister of Commerce

For the Kingdom of Cambodia

CHAM PRASIDH
Senior Minister and Minister of Commerce

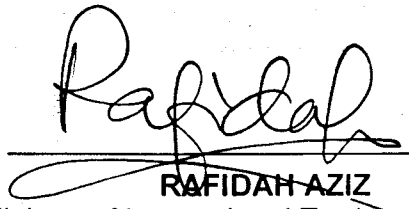
For the Republic of Indonesia

MARI ELKA PANGESTU
Minister of Trade

For the Lao People's Democratic Republic

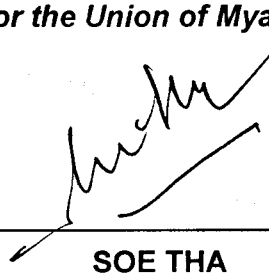
SOULIVONG DARAVONG

For Malaysia



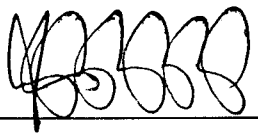
RAFIDAH AZIZ
Minister of International Trade and Industry

For the Union of Myanmar



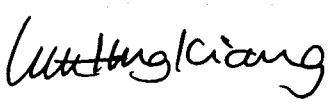
SOE THA
Minister of National Planning and
Economic Development

For the Republic of the Philippines



CESAR V. PURISIMA
Secretary of Trade and Industry

For the Republic of Singapore



LIM HNG KIANG
Minister for Trade and Industry

For the Kingdom of Thailand

WATANA MUANGSOOK
Minister of Commerce

For the Socialist Republic of Viet Nam

TRUONG DINH TUYEN
Minister of Trade

ANNEX 1: RULES OF ORIGIN

Article 1

Definitions

For the purposes of this Annex :

(a) **aquaculture** means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from seedstock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production, such as regular stocking, feeding, protection from predators, etc.;

(b) **Costs, Insurance and Freight (CIF)** means the value of the good imported, and includes the costs of freight and insurance up to the port or place of entry into the country of importation. The valuation shall be determined in accordance with the Customs Valuation Agreement;

(c) **Free-on-board (FOB)** means the free-on-board value of the good, inclusive of the costs of transport to the port or site of final shipment abroad. The valuation shall be determined in accordance with the Customs Valuation Agreement;

(d) **generally accepted accounting principles (GAAP)** means the accounting standards, recognised consensus or substantial authoritative support of a Party, with respect to the recording of revenues, expenses, costs, assets and liabilities; the disclosure of information; and the preparation of financial statements. These standards may encompass broad guidelines of general application as well as detailed standards, practices and

procedures;

(e) **good** means any merchandise, product, article, or material;

(f) **identical and interchangeable materials** means materials being of the same kind which are fungible for commercial purposes, whose properties are essentially identical, and between which it is impractical to differentiate by a mere visual examination;

(g) **material** means any matter or substance used in the production of goods, physically incorporated into a good or subjected to a process in the production of another good;

(h) **originating material** or **originating good** means a material or good which qualifies as originating in accordance with the provisions of this ANNEX;

(i) **packing materials and containers for transportation** means the materials and containers used to protect a good during its transportation, different from those materials and containers used for its retail sale;

(j) **production** means methods of obtaining goods, including growing, raising, mining, harvesting, fishing, aquaculture, farming, trapping, hunting, capturing, gathering, collecting, breeding, extracting, manufacturing, producing, processing, assembling a good, etc.;

(k) **Product Specific Rules** means rules that specify that the materials have undergone a change in tariff classification or a specific manufacturing or processing operation, or satisfy a Regional Value Content criterion or a combination of any of these

criteria;

(l) **Harmonised System** means the Harmonised Commodity Description and Coding System of the World Customs Organisation;

(m) **neutral element** means a good used in the production, testing or inspection of another good but not physically incorporated into the good by itself;

(n) **Customs Valuation Agreement** means the *Agreement on the Implementation of Article VII of the General Agreement on Tariffs and Trade 1994*, which is a part of the *Marrakesh Agreement Establishing the World Trade Organization*;

(o) **non-originating good** or **non-originating material** means a good or material that does not qualify as originating under this ANNEX or a good or material of undetermined origin;

Article 2

Originating Goods

For the purposes of this ANNEX, a good shall be treated as an originating good and eligible for preferential tariff treatment if it is either:

(a) wholly produced or obtained in a Party as provided in Article 3 of this ANNEX;

(b) produced in a Party exclusively from originating materials from one or more of the Parties;

(c) produced from non-originating materials in a Party, provided that the good has satisfied the requirements of Article 4 of this ANNEX

and meets all other applicable requirements of this ANNEX.

Article 3

Goods Wholly Produced or Obtained

For the purposes of Article 2 (a), the following goods shall be considered as wholly produced or obtained:

(a) plants and plant products (including fruits, flowers, vegetables, trees, seaweed, fungi and live plants) grown, harvested, picked, or gathered in a Party[1];

(b) live animals born and raised in a Party;

(c) goods obtained from live animals in a Party without further processing, including milk, eggs, natural honey, hair, wool, semen and dung;

(d) goods obtained from hunting, trapping, fishing, aquaculture, gathering, or capturing in a Party;

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[1] For the purposes of this Article, *"in a Party"* means:

(i) For ASEAN Member States, the land, territorial air space, territorial sea, Exclusive Economic Zone, Continental Shelf, and areas beyond the territorial sea over which a Member State exercises sovereign rights or jurisdiction, as the case may be, under respective domestic laws in accordance with international law, including the United Nations Convention on the Law of the Sea.

(ii) For China, the entire customs territory of the People's Republic of China, including land territory, territorial airspace, internal waters, territorial sea, and areas beyond the territorial sea within which China exercises sovereign rights or jurisdiction under its domestic laws, in accordance with international law.

(iii) The above definitions are purely for the purpose of the implementation of Article 3 of the Annex of the Rules of Origin. For the avoidance of doubt, nothing contained in the above definitions shall be construed as conferring recognition or acceptance by one Party of the outstanding maritime and territorial positions or claims made by any other Party, nor shall be taken as pre-judging the determination of such positions or claims.

(e) minerals and other naturally occurring substances extracted or taken from the soil, waters, seabed or beneath the seabed in a Party;

(f) goods taken from the waters, seabed or beneath the seabed outside the territorial waters of that Party, provided that that Party has the rights to exploit such waters, seabed and beneath the seabed in accordance with international law[2]

(g) goods of sea fishing and other marine products taken from the high seas by vessels registered with a Party or entitled to fly the flag of that Party;

(h) goods processed and/or made on board factory ships registered with a Party or entitled to fly the flag of that Party, exclusively from products referred to in paragraph (g) above;

(i) waste and scrap derived from production process or from consumption in a Party provided that such goods are fit only for the recovery of raw materials; or

(j) used goods consumed and collected in a Party provided that such goods are fit only for the recovery of raw materials; and

(k) goods produced or obtained in a Party exclusively from products referred to in Subparagraphs (a) to (j) or from derivatives of the goods produced or obtained in the Party exclusively from products referred to in Subparagraphs (a) to (j).

[2] *"International law"* refers to universally recognised international law, including the *1982 United Nations Convention on the Law of the Sea*.

Article 4

Goods Not Wholly Produced or Obtained

1. For the purposes of Article 2(c) of this ANNEX, except for those goods covered under Paragraph 2, a good shall be treated as an originating good:

(a) if the good has a regional value content of not less than 40 per cent of FOB calculated using the formula as described in Article 5 of this ANNEX, and the final process of production is performed within a Party; or

(b) for the purpose of goods classified in Chapters 25, 26, 28, 29[3], 31[4], 39[5], 42-49, 57-59, 61, 62, 64, 66-71, 73-83, 86, 88, 91-97 of the Harmonised System if all non-originating materials used in the production of the goods have undergone a change in tariff classification (hereinafter referred to as "CTC") at the four-digit level, which is a change in tariff heading, of the Harmonised System.

2. In accordance with Paragraph 1, and unless otherwise provided for in the Product Specific Rules as specified in Attachment B, a good shall be treated as an originating good if it meets a regional value content of not less than 40 per cent or those criteria in the Product Specific Rules.

[3] For Headings 29.01 and 29.02, the applied criterion is RVC 40%, unless otherwise mutually agreed by the Parties.
[4] For Headings 31.05, the applied criterion is RVC 40%, unless otherwise mutually agreed by the Parties.
[5] For Headings 39.01, 39.02, 39.03, 39.07 and 39.08, the applied criterion is RVC 40%, unless otherwise mutually agreed by the Parties.

Article 5

Calculation of Regional Value Content

1. The Regional Value Content (RVC) shall be calculated as follows:

$$RVC = \frac{FOB - VNM}{FOB} \times 100\%$$

where:

RVC is the regional value content, expressed as a percentage;

VNM is the value of the non-originating materials.

2. VNM shall be determined according to the following circumstances:

   (a) in case of the imported non-originating materials, VNM shall be the CIF value of the materials at the time of importation;

   (b) in case of the non-originating materials obtained in a Party, VNM shall be the earliest ascertainable price paid or payable for the non-originating materials in that Party. The value of such non-originating materials shall not include freight, insurance, packing costs and any other costs incurred in transporting the material from the supplier's warehouse to the producer's location.

3. If a product which has acquired originating status in accordance with paragraph 1 in a Party is further processed in that Party and used as material in the manufacture of another product, no account shall be taken of the non-originating

components of that material in the determination of the originating status of the product.

4. The valuation shall be determined in accordance with the Customs Valuation Agreement.

Article 6

Accumulation

Unless otherwise provided in this ANNEX, goods originating in a Party, which are used in another Party as materials for finished goods eligible for preferential tariff treatment, shall be treated as originating in the latter Party where working or processing of the finished goods has taken place

Article 7

Minimal Operations and Processes

Operations or processes undertaken, by themselves or in combination with each other for the purposes listed below, are considered to be minimal and shall not be taken into account in determining whether a good has been wholly obtained in a Party:

(a) ensuring preservation of goods in good condition for the purposes of transport or storage;

(b) facilitating shipment or transportation;

(c) packaging[6] or presenting goods for sale.

[6] This excludes encapsulation which is termed “packaging” by the electronics industry

Article 8

Direct Consignment

1. Preferential tariff treatment shall be applied to goods satisfying the requirements of this ANNEX and which are consigned directly between the exporting Party and the importing Party.

2. The following shall be considered as consigned directly from the exporting Party to the importing Party:

(a) goods transported directly from an exporting Party to the importing Party; or

(b) goods transported through one or more Parties, other than the exporting Party and the importing Party, or through a non-Party, provided that:

(i) the transit entry is justified for geographical reason or by consideration related exclusively to transport requirements;

(ii) the goods have not entered into trade or consumption there; and

(iii) the goods have not undergone any operation there other than unloading and reloading or any other operation to preserve them in good condition.

Article 9

De Minimis

A good that does not satisfy a change in tariff classification requirement pursuant to Article 4 of this ANNEX will

nonetheless be an originating good if:

(a) for a good, other than that provided for in Chapters 50 to 63 of the Harmonised System, the value of all non-originating materials used in the production of the good that did not undergo the required change in tariff classification does not exceed 10 per cent of the FOB value of the good;

(b) for a good provided for in Chapters 50 to 63 of the Harmonised System, the weight of all non-originating materials used in its production that did not undergo the required change in tariff classification does not exceed 10 per cent of the total weight of the good, or the value of all non-originating materials used in the production of the good that did not undergo the required change in tariff classification does not exceed 10 per cent of the FOB value of the good;

and the good meets all other applicable criteria of this ANNEX.

Article 10

Treatment of Packing Materials, Packages and Containers

1. Packing materials, packages and containers for transportation shall not be taken into account in determining the origin of the goods.

2. Packing materials, packages and containers for use in packaging goods for retail sale:

(a) Where the goods are subject to a regional value content criterion, the value of the packing materials, packages and containers used for packaging goods

for retail sale shall be taken into account in origin determination, provided that the packing materials, packages and containers are classified with the goods.

(b) Where the goods are subject to a change in tariff classification criterion, the origin of the packing materials, packages and containers in which goods are packaged for retail sale shall not be taken into account in origin determination, provided that the packing materials, packages and containers are classified with the goods.

Article 11

Accessories, Spare Parts and Tools

1. Accessories, spare parts, or tools presented and classified with the good shall be considered as part of the good, provided:

(a) they are invoiced together with the good; and

(b) their quantity and value are commercially customary for the good.

2. Where a good is subject to change in tariff classification criterion set out in Attachment B, accessories, spare parts, or tools described in paragraph 1 shall be disregarded when determining the origin of the good.

3. Where a good is subject to a regional value content criterion, the value of the accessories, spare parts or tools described in paragraph 1 shall be taken into account as originating materials or non-originating materials, as the case may be, in calculating the regional value content of the good.

Article 12

Neutral Elements

In determining whether a good is an originating good, the origin of the following neutral elements shall be disregarded:

(a) fuel, energy, catalysts and solvents;

(b) equipment, devices and supplies used for testing or inspecting the goods;

(c) gloves, glasses, footwear, clothing, safety equipment and supplies;

(d) tools, dies and moulds;

(e) spare parts and materials used in the maintenance of equipment and buildings;

(f) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings; and

(g) any other goods that are not incorporated into the good but whose use in the production of the good can reasonably be demonstrated to be a part of that production.

Article 13

Identical and Interchangeable Materials

Where originating and non-originating identical and interchangeable materials are used in the production of a good, the following methods shall be adopted in determining whether the materials used are originating:

a) physical separation of the materials; or

b) an inventory management method recognised in the generally accepted accounting principles of the exporting Party. Once a decision has been taken on the inventory management method, that method shall be used throughout the fiscal year.

Article 14

Certificate of Origin

Unless otherwise provided, a claim that goods are eligible for preferential tariff treatment shall be supported by a Certificate of Origin issued by an Issuing Authority notified to the other Parties as set out in Appendix 1 of Attachment A of this ANNEX.

Article 15

Consultations, Review and Modification

1. The Parties shall consult regularly to ensure that this ANNEX is administered effectively, uniformly and consistently in order to achieve the spirit and objectives of the Agreement.

2. This ANNEX may be reviewed and modified as and when necessary, upon request of a Party, and subject to the agreement of the Parties, and may be open to such reviews and modifications as may be agreed upon by the ACFTA Joint Committee.

ATTACHMENT A

REVISED OPERATIONAL CERTIFICATION PROCEDURES (OCP) FOR THE RULES OF ORIGIN FOR THE ASEAN-CHINA FREE TRADE AREA

For the purpose of implementing the Rules of Origin for the ASEAN-China Free Trade Area (ACFTA), the following operational procedures on the issuance and verification of the Certificate of Origin (Form E) and other related administrative matters shall be followed:

DEFINITIONS

Rule 1

For the purposes of this Attachment:

'**Movement Certificate**' means a Certificate of Origin (Form E) issued by an intermediate exporting Party, based on the original Certificate of Origin (Form E) issued by the first exporting Party proving the origin status of the products in question;

'**Customs Authority**' means the competent authority that is responsible under the law of a Party for the Authority of customs laws and regulations[1];

'**Exporter**' means a natural or juridical person located in the territory of a Party from where a product is exported by such a person;

'**Importer**' means a natural or juridical person located in the territory of a Party into where a product is imported by such a person;

[1] Such laws and regulations administered and enforced by the Customs Authority of each Party concerning importation, exportation and transit of products as they relate to customs duties, charges or other taxes or prohibitions, restrictions and controls with respect to the movement of controlled items across the boundaryof the Customs Authority of each Party.

‘**Issuing Authority**’ means any government authority or other entity authorised under the domestic laws, regulations and administrative rules of a Party to issue a Certificate of Origin (Form E).

ISSUING AUTHORITIES

Rule 2

The Certificate of Origin (Form E) shall be issued by the Issuing Authorities of the exporting Party.

Rule 3

a) Each Party shall inform all the other Parties of the names and addresses of its respective Issuing Authorities and shall provide specimen signatures and specimen of official seals, and correction stamps, if any, used by its Issuing Authorities.

b) The above information shall be provided by the contact points electronically to all the other Parties to the Agreement through the ASEAN Secretariat, to the extent possible, at least one month before they take effect. A Party shall promptly inform all the other Parties of any changes in names, addresses, or official seals in the same manner.

c) All Parties shall promptly provide confirmation that they have received the information to the ASEAN Secretariat, who will forward the compiled confirmation to the submitting Party.

Rule 4

For the purpose of verifying the conditions for preferential treatment, the Issuing Authorities shall have the right to call for any supporting documentary evidence or to carry out any checks considered appropriate.

If such right cannot be obtained through the existing domestic laws, regulations and administrative rules, it shall be inserted as a clause in the application form referred to in Rules 5 and 6 of this Attachment.

APPLICATIONS

Rule 5

a) The exporter and/or the manufacturer of the products which qualify for preferential treatment shall apply in writing to the Issuing Authorities requesting the pre-exportation verification of the origin of the products. The result of the verification, subject to review periodically or whenever appropriate, shall be accepted as the supporting evidence in verifying the origin of the said products to be exported thereafter. The pre-verification may not apply to the products which, by their nature, origin can be easily verified.

b) For locally-procured materials, self-declaration by the final manufacturer exporting under the ACFTA shall be used as the basis when applying for the issuance of the Certificate of Origin (Form E).

Rule 6

At the time of carrying out the formalities for exporting the products under preferential treatment, the exporter or his authorised representative shall submit a written application for the Certificate of Origin (Form E) together with appropriate supporting documents proving that the products to be exported qualify for the issuance of a Certificate of Origin (Form E)[2].

[2] For China, a Chinese manufacturer can apply for a Certificate of Origin (Form E) in the case where the manufacturer needs to authorise other agencies to export on its behalf.

PRE-EXPORTATION EXAMINATION

Rule 7

The Issuing Authorities of each Party shall, to the best of their competence and ability, carry out proper examination of each application for the Certificate of Origin (Form E) to ensure that:

a) the application and the Certificate of Origin (Form E) are duly completed in accordance with the requirements as defined in the overleaf notes of the Certificate of Origin (Form E), and signed by the authorised signatory;

b) the origin of the product is in conformity with the Rules of Origin for the ACFTA;

c) the other statements made in the Certificate of Origin (Form E) correspond to the supporting documentary evidence submitted;

d) the description, quantity and weight of products, marks and number of packages, number and kinds of packages, as specified, conform to the products to be exported;

e) multiple items declared on the same Certificate of Origin (Form E) shall be allowed subject to the domestic laws, regulations and administrative rules of the importing Party provided each item must qualify separately in its own right.

ISSUANCE OF CERTIFICATE OF ORIGIN (FORM E)

Rule 8

a) The Certificate of Origin (Form E) must be on ISO A4 size white paper in conformity to the specimen shown in Appendix 1 of this OCP. It shall be filled out in English. The Certificate of Origin (Form E) shall comprise one (1) original and two (2) copies, namely, the

duplicate and triplicate copies.

b) For a Certificate of Origin (Form E) with multiple pages, the Parties shall use the attached Form shown in Appendix 1. The continuing page(s) shall bear the same signature, seal and reference number as those on the first page.

c) Each Certificate of Origin (Form E) shall contain a unique reference number and cover one or more goods under one consignment.

d) The original copy of the Certificate of Origin (Form E) shall be forwarded by the exporter to the importer for submission to the Customs Authority at the port or place of importation. The duplicate copy shall be retained by the Issuing Authority in the exporting Party. The triplicate copy shall be retained by the exporter.

e) In the case where a Certificate of Origin (Form E) is rejected by the Customs Authority of the importing Party, the said rejected Certificate of Origin (Form E) shall be marked accordingly in Box 4.

f) In the case where a Certificate of Origin (Form E) is not accepted, as stated in paragraph (e), the Customs Authority of the importing Party shall consider the clarifications made by the Issuing Authorities of the exporting Party and assess whether or not the Certificate of Origin (Form E) can be accepted for the granting of the preferential treatment. The clarification shall be detailed and exhaustive in addressing the grounds for denial of preferential treatment raised by the importing Party.

Rule 9

To implement the provisions of Article 2 of the Rules of Origin for the ACFTA, the Certificate of Origin (Form E) issued by the final exporting Party shall indicate the origin criteria or applicable percentage of ACFTA value content in Box 8.

Rule 10

Neither erasures nor superimposition shall be allowed on the Certificate of Origin (Form E). Any alteration shall be made by striking out the erroneous materials and making any addition required. Such alterations shall be approved by an official authorised to sign the Certificate of Origin (Form E) and certified with official seals or correction stamps of the Issuing Authority. Unused spaces shall be crossed out to prevent any subsequent addition.

Rule 11

In principle, a Certificate of Origin (Form E) shall be issued prior to or at the time of shipment. In exceptional cases where the Certificate of Origin (Form E) has not been issued by the time of shipment or no later than three (3) days from the date of shipment, at the request of the exporter, the Certificate of Origin (Form E) shall be issued retroactively in accordance with the domestic laws, regulations and administrative rules of the exporting Party within twelve (12) months from the date of shipment, in which case it is necessary to indicate "ISSUED RETROACTIVELY" in Box 13. In such cases, the importer claiming preferential treatment for the product may, subject to the domestic laws, regulations administrative rules of the importing Party, provide the Customs Authority of the importing Party with the Certificate of Origin (Form E) issued retroactively.

Rule 12

a) The Issuing Authorities of the intermediate Party within the ACFTA may issue a Movement Certificate (MC), if an application is made by the exporter while the product is passing through the territory, provided that:

(i) the importer of the intermediate Party and the exporter who applies for the MC in the intermediate Party are the same;

(ii) a valid original Certificate of Origin (Form E) issued by the first

exporting Party is presented;

(iii) information on the MC includes the name of the Issuing Authority of the Party which issued the original Certificate of Origin (Form E), date of issuance and reference number. The indicated invoice value shall be the invoice value of the products exported from the intermediate Party; and

(iv) the total quantity of each product covered in the MC does not exceed the total quantity of each product covered in the original Certificate of Origin (Form E).

b) In the case of China, the MC shall be issued by Customs Authority. In the case of ASEAN Member States, the MC shall be issued by the Issuing Authorities.

c) The validity of the MC shall have the same end-date as the original Certificate of Origin (Form E).

d) The product which is to be re-exported using the MC shall be under the control of the Customs Authority of the intermediate Party. The products shall not undergo any further processing in the intermediate Party, except for repacking and logistics activities consistent with Article 8 of the Rules of Origin for the ACFTA[3].

e) The verification procedure in Rule 18 of this Attachment shall also apply to the MC. In particular, the Customs Authority of the importing Party may simultaneously request the original exporting Party and the intermediate Party to provide information regarding the original Certificate of Origin (Form E) and the MC respectively, such as, the first exporter, last exporter, reference number, description of the products, country of origin and the port of discharge, within thirty (30) days from the date of receipt of the request, as the case maybe.

[3] The products under control of the Customs Authority of the intermediate Party shall include products that remain in free trade zones or locations approved by the said Customs Authority.

Rule 13

In the event of theft, loss or destruction of a Certificate of Origin (Form E), the exporter may apply in writing to the Issuing Authority which issued it for a certified true copy of the original and the triplicate to be made on the basis of the export documents in its possession bearing the endorsement of the words “CERTIFIED TRUE COPY” in Box 12. The certified true copy of the original Certificate of Origin (Form E) shall bear the date of the original Certificate of Origin (Form E). The certified true copy of the original Certificate of Origin (Form E) shall be issued no later than one (1) year from the date of issuance of the original Certificate of Origin (Form E) and on condition that the exporter provides to the relevant Issuing Authority the triplicate copy of the Certificate of Origin (Form E) or any proof of the issuance of the original Certificate of Origin (Form E).

PRESENTATION

Rule 14

The original Certificate of Origin (Form E) shall be submitted to the Customs Authority at the time of import declaration for the products concerned claiming for preferential treatment in accordance with the domestic laws, regulations and administrative rules of the importing Party.

Rule 15

The Certificate of Origin (Form E) shall remain valid and must be submitted to the Customs Authority of the importing Party within one (1) year from the date of its issuance by the Issuing Authority of the exporting Party.

Rule 16

(a) In the case of the consignment of products originating in the exporting Party and not exceeding US$ 200.00 FOB, the production of a Certificate of Origin (Form E) shall be waived and the use of a simplified declaration by the exporter that the products in question originated in the exporting Party shall be accepted. Products sent through the post not exceeding US$200.00 FOB shall also be similarly treated.

(b) Waivers provided for in paragraph (a) shall not be applicable when it is established by the customs authorities of the importing Party that the importation forms part of a series of importations that may reasonably be considered to have been undertaken or arranged for the purpose of avoiding the submission of a Certificate of Origin or Certificates of Origin.

Rule 17

(a) Where the ACFTA origin of the product is not in doubt, unsubstantial discrepancies such as tariff classification differences between the statements made in the Certificate of Origin (Form E) and those made in the documents submitted to the Customs Authority of the importing Party for the purpose of carrying out the formalities for importing the products, shall not, ipso-facto, invalidate the Certificate of Origin (Form E), if it does in fact correspond to the products submitted.

(b) In cases where there are only unsubstantial discrepancies as indicated in paragraph (a) between the exporting Party and importing Party, the products shall be released without any delay subject to administrative measures, such as imposition of customs duties at the higher applied rate or its equivalent amount of deposit. Once the discrepancies have been resolved, the correct ACFTA rate is to be applied and any overpaid duty shall be refunded, in accordance with the domestic laws, regulations and administrative rules of the importing Party.

(c) For multiple items declared under the same Certificate of Origin (Form E), a problem encountered with one of the items listed shall not affect or delay the granting of preferential treatment and customs clearance of the remaining items listed in the Certificate of Origin (Form E). Rule 18(a)(ii) of this Attachment may be applied to the problematic items.

Rule 18

(a) The Customs Authority of the importing Party may request a retroactive check at random and/or when it has reasonable doubt as to the authenticity of the document or as to the accuracy of the information regarding the true origin of the products in question or of certain parts thereof.

(i) The request shall be made in writing, accompanied by a copy of the Certificate of Origin (Form E) and shall specify the reasons and any additional information suggesting that the particulars given on the said Certificate of Origin (Form E) may be inaccurate, unless the retroactive check is requested on a random basis.

(ii) The Customs Authority of the importing Party may suspend the granting of preferential treatment while awaiting the result of the verification. However, it may release the products to the importer subject to any administrative measures deemed necessary, including imposition of customs duties at the higher applied rate or equivalent amount of deposit, provided that they are not held to be subject to import prohibition or restriction and there is no suspicion of fraud.

(iii) The Customs Authority or the Issuing Authority of the exporting Party receiving a request for retroactive check shall respond to the request promptly and reply not later than ninety (90) days after the receipt of the request. The Customs Authority or the

Issuing Authority of the exporting Party may request, in writing, an extension of time of up to ninety (90) days as long as the extension request is made within the initial ninety (90) day - period.

(b) If the Customs Authority of the importing Party is not satisfied with the outcome of the retroactive check, it may, in exceptional cases, request verification visits to the exporting Party.

(i) Prior to the conduct of a verification visit pursuant to the provisions herein, the Customs Authority of the importing Party shall notify the competent authority of the exporting Party with the aim of mutually agreeing on the conditions and means of the verification visit.

(ii) The verification visit shall be conducted not later than sixty (60) days after receipt of the notification pursuant to sub-paragraph (b)(i).

(c) The verification process, including the retroactive check and verification visit, shall be carried out and its results communicated to the Customs Authority and/or the Issuing Authority of the exporting Party within a maximum of one hundred and eighty (180) days after the receipt of the request. In the event that an extension request has been made pursuant to sub-paragraph a(iii), the verification process, including the retroactive check and verification visit, shall be carried out and its results communicated to the Customs Authority and/or the Issuing Authority of the exporting Party shall be extended from one hundred and eighty (180) days to a maximum of two hundred and seventy (270) days after the receipt of the request. While awaiting the results of the verification visit, sub-paragraph (a)(ii) on the suspension of preferential treatment shall be applied.

(d) All exchanges of information regarding the verification request should be done only through the respective contact points of the Parties.

(e) The preferential treatment may be denied when the exporting Party fails to respond to the request to the satisfaction of the Customs Authority of the importing Party in the course of a retroactive check or verification process, as the case may be, within the time frame for verification specified in paragraphs (a), (b) and (c).

(f) Each Party shall maintain the confidentiality of the information and documents provided by the other Party in the course of the verification process. Such information and documents shall not be used for other purposes, including being used as evidence in administrative and judicial proceedings, without the explicit written permission of the Party providing such information.

RECORD KEEPING REQUIREMENT

Rule 19

(a) The application for the Certificate of Origin (Form E) and all documents related to such application shall be retained by the Issuing Authority for not less than three (3) years from the date of issuance.

(b) Information relating to the validity of the Certificate of Origin (Form E) shall be furnished upon request by the importing Party.

(c) Any information communicated between the Parties concerned shall be treated as confidential and shall be used for the validation of the Certificate of Origin (Form E) purposes only.

(d) For the purposes of the verification process/retroactive check pursuant to Rule 18 of this Attachment, the producer and/or exporter applying for the issuance of a Certificate of Origin (Form E) shall, subject to the domestic laws, regulations and administrative rules of the exporting Party, keep the supporting records for the said application for not less than three (3) years from the date of issuance of the Certificate of Origin (Form E).

SPECIAL CASES

Rule 20

When the destination of the products exported to a specified Party is changed, before or after their arrival in the Party, the following rules shall be observed:

a) If the products have already been submitted to the Customs Authority in the specified importing Party, the Certificate of Origin (Form E) shall, by a written application of the importer, be endorsed to address the situation. The original shall be kept by the Customs Authority and the photocopy of the Certificate of Origin (Form E) shall be provided to the importer.

b) If the changing of destination occurs during transportation to the importing Party as specified in the Certificate of Origin (Form E), the exporter shall apply in writing, accompanied by the issued Certificate of Origin (Form E), for the issuance of a new Certificate of Origin (Form E).

Rule 21

For the purpose of implementing Article 8 of the Rules of Origin for the ACFTA, where transportation is effected through the territory of one or more non-ACFTA Parties, the following shall be submitted to the Customs Authority of the importing Party:

a) A through Bill of Lading issued in the exporting Party;

b) A Certificate of Origin (Form E) issued by the relevant Issuing Authorities of the exporting Party;

c) A copy of the original commercial invoice in respect of the product; and

d) Supporting documents evidencing that the requirements of Article 8.2(b) sub-paragraphs (i), (ii) and (iii) of the Rules of Origin for the ACFTA are being complied with.

Rule 22

(a) Products sent from an exporting Party for exhibition in another Party and sold during or after the exhibition for importation into a Party shall benefit from the ASEAN-China preferential treatment on the condition that the products meet the requirements of the Rules of Origin for the ACFTA provided it is shown to the satisfaction of the Customs Authority of the importing Party that:

(i) an exporter has dispatched those products from the territory of the exporting Party to another Party where the exhibition is held and has exhibited them there;

(ii) the exporter has sold the products or transferred them to a consignee in the importing Party; and

(iii) the products have been consigned during the exhibition or immediately thereafter to the importing Party in the state in which they were sent for exhibition.

(b) For purposes of implementing the above provisions, the Certificate of Origin (Form E) must be submitted to the Customs Authority of the importing Party. The name and address of the exhibition must be indicated, a certificate issued by the Issuing Authority of the Party where the exhibition took place together with supporting documents prescribed

in Rule 21(d) of this Attachment may be required.

(c) Paragraph (a) shall apply to any trade, agricultural or crafts exhibition, fair or similar show or display in shops or business premises with a view to the sale of foreign products and where the products remain under customs control during the exhibition.

Rule 23

The Customs Authority of the importing Party shall accept a Certificate of Origin (Form E) in cases where the sales invoice is issued either by a company located in a third country or by an ACFTA exporter for the account of the said company, provided that the product meets the requirements of the Rules of Origin for the ACFTA. The invoice-issuing third party can be an ACFTA Party or non-ACFTA Party. The original invoice number or the third party invoice number shall be indicated in Box 10 of the Certificate of Origin (Form E), the exporter and consignee must be located in the Parties and the third party invoice shall be attached to the Certificate of Origin (Form E) when presenting the said Certificate of Origin (Form E) to the Customs Authority of the importing Party.

ACTION AGAINST FRAUDULENT ACTS

Rule 24

(a) When it is suspected that fraudulent acts in connection with the Certificate of Origin (Form E) have been committed, the Government authorities of the Parties concerned shall co-operate in the action to be taken in the territory of the respective Parties against the persons involved.

(b) Each Party shall be responsible for providing legal sanctions for

fraudulent acts committed in relation to the Certificate of Origin (Form E) in accordance with its domestic laws, regulations and administrative rules.

Rule 25

In the case of a dispute concerning origin determination, classification of products or other matters, the Government authorities concerned in the importing and exporting Parties shall consult each other with a view to resolving the dispute, and the result shall be reported to the other Parties for information.

CONTACT POINTS

Rule 26

Each Party shall designate contact points to ensure the effective and efficient implementation of this Attachment.

ATTACHMENT C

Original (Duplicate/Triplicate)

1. Products consigned from (Exporter's business name, address, country)	Reference No. ASEAN-CHINA FREE TRADE AREA PREFERENTIAL TARIFF CERTIFICATE OF ORIGIN (Combined Declaration and Certificate) FORM E Issued in _____ (Country) See Overleaf Notes
2. Products consigned to (Consignee's name, address, country)	
3. Means of transport and route (as far as known) Departure date Vessel's name/Aircraft etc. Port of Discharge	4. For Official Use ☐ Preferential Treatment Given ☐ Preferential Treatment Not Given (Please state reason/s) ..... Signature of Authorised Signatory of the Importing Party

5. Item Number	6. Marks and numbers on packages	7. Number and type of packages, description of products (including quantity where appropriate and HS number in six digit code)	8. Origin criteria (see Overleaf Notes)	9. Gross weight or net weight or other quantity, and value (FOB) only when RVC criterion is applied	10. Number, date of Invoices

11. Declaration by the exporter The undersigned hereby declares that the above details and statement are correct; that all the products were produced in ..... (Country) and that they comply with the origin requirements specified for these products in the Rules of Origin for the ACFTA for the products exported to ..... (Importing Country) ..... Place and date, signature of authorised signatory	12. Certification It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct. ..... Place and date, signature and stamp of certifying authority
13 □ Issued Retroactively □ Exhibition □ Movement Certificate □ Third Party Invoicing	

OVERLEAF NOTES

1. Parties which accept this form for the purpose of preferential treatment under the ASEAN-China Free Trade Area (ACFTA):

BRUNEI DARUSSALAM	CAMBODIA	CHINA
INDONESIA	LAOS	MALAYSIA
MYANMAR	PHILIPPINES	SINGAPORE
THAILAND	VIETNAM	

2. CONDITIONS: The main conditions for admission to the preferential treatment under the ACFTA are that products sent to any Parties listed above:

   (i) must fall within a description of products eligible for concessions in the country of destination;
   (ii) must comply with all relevant provisions of Annex 1 (Rules of Origin) of the Protocol to Amend the Framework Agreement on Comprehensive Economic Co-operation and Certain Agreements thereunder between the Association of Southeast Asian Nations (ASEAN) and the People's Republic of China (ACFTA Upgrading Protocol).

3. ORIGIN CRITERIA: For each good described in Box 7 of this form, the origin criteria met should be indicated in Box 8, in the manner shown in the following table:

Circumstances of production or manufacture in the first country named in Box 11 of this form	Insert in Box 8
(a) Goods wholly produced or obtained satisfying subparagraph (a) of Article 2 of Annex 1 of the ACFTA Upgrading Protocol	WO
(b) Goods produced in a Party exclusively from originating materials from one or more of the Parties satisfying subparagraph (b) of Article 2 of Annex 1 of the ACFTA Upgrading Protocol	PE
(c) Goods produced from non-originating materials in a Party, satisfying paragraph 1 of Article 4 of Annex 1 of the ACFTA Upgrading Protocol	
- Regional Value Content	Actual percentage of ACFTA value content, example "40%"
- Change in Tariff Classification at the four-digit level	CTH
(d) Goods satisfying the Product Specific Rules (PSR) in Attachment B of Annex 1 of the ACFTA Upgrading Protocol	PSR

4. EACH ARTICLE MUST QUALIFY: It should be noted that all the products in a consignment must qualify separately in their own right. This is of particular relevance when similar articles of different sizes or spare parts are sent.

5. DESCRIPTION OF PRODUCTS: The description of products in Box 7 must be sufficiently detailed to enable the products to be identified by the Customs Officers examining them.

6. The Harmonised System number of the importing party in Box 7 (six digit code) shall be determined according to the International Convention on the Harmonized Commodity Description and Coding System and subsequent amendments thereto.

7. The term "Exporter" in Box 1 and 11 may include the manufacturer or the producer. In the case of Movement Certificate (MC), the term "Exporter" also includes the exporter in the intermediate Party. For China, a Chinese manufacturer can apply for a Certificate of Origin (Form E) in the case where the manufacturer needs to authorise other agencies to export on its behalf. In this case, the manufacturer can make the declaration indicated in Box 11 and shall state the name and address of the exporter in Box 7.

8. FOR OFFICIAL USE: The Customs Authority of the importing Party must indicate (√) in the relevant boxes in column 4 whether or not preferential treatment is accorded.

9. MOVEMENT CERTIFICATE: In cases of Movement Certificate, in accordance with Rule 12 of Attachment A of the Rules of Origin of the ACFTA Upgrading Protocol (Operational Certification Procedures): (i) "Movement Certificate" in Box 13 should be ticked (√); (ii) the indicated value in Box 9 shall be the invoice value of the products exported from the intermediate Party. The indicated value in Box 9 is only required when the RVC criterion is applied; (iii) The name of the original Issuing Authorities of the Party, date of the issuance and the reference number of the original Certificate of Origin (Form E) to be indicated in Box 7.

10. THIRD PARTY INVOICING: In cases where invoices are issued by a third country, "the Third Party Invoicing" in Box 13 shall be ticked (√). The invoice number shall be indicated in Box 10. Information such as name and country of the company issuing the invoice shall be indicated in Box 7.

11. EXHIBITIONS: In cases where products are sent from the exporting Party for exhibition in another Party and sold during or after the exhibition for importation into a Party, in accordance with Rule 22 of Attachment A of the Rules of Origin for the ACFTA, the "Exhibitions" in Box 13 should be ticked (√) and the name and address of the exhibition indicated in Box 2.

12. ISSUED RETROACTIVELY: In exceptional cases, due to involuntary errors or omissions or other valid causes, the Certificate of Origin (Form E) may be issued retroactively in accordance with Rule 11 of Attachment A of the Rules of Origin for the ACFTA. The "Issued Retroactively" in Box 13 shall be ticked (√) electronically or typewritten together with other information in the Certificate of Origin (Form E). In cases where the "Issued Retroactively" in Box 13 cannot be ticked electronically or typewritten, the Certificate of Origin (Form E) shall be stamped with the words "ISSUED RETROACTIVELY".