

CHAPTER 5 CUSTOMS PROCEDURES

ARTICLE 23 Scope

This Chapter is applicable to the extent permitted by the domestic laws of each Party and within the competence and available resources of their respective customs administrations.

ARTICLE 24 General Provisions

1. The Parties recognise that their bilateral trade may be facilitated by simplifying customs procedures and having expeditious customs clearance of goods.
2. Customs procedures of both Parties shall, where possible, conform to the standards and recommended practices of the World Customs Organization.

ARTICLE 25 Transparency

1. Each Party shall ensure that its laws, regulations, guidelines, procedures and administrative rulings governing customs matters are promptly published, either on the Internet or in print form.
2. Each Party shall designate, establish and maintain one or more inquiry points to address inquiries from interested persons pertaining to customs matters, and shall make available on the Internet information concerning the procedures for making such inquiries.
3. For greater certainty, nothing in this Article or in any part of this Agreement shall require any Party to publish law enforcement procedures and internal operational guidelines including those related to conducting risk analysis and targeting methodology.

ARTICLE 26 Risk Management

1. The Parties shall adopt a risk management approach in its customs activities based on its identified risk of goods in order to facilitate the clearance of low-risk consignments, while focusing its inspection activities on high-risk goods.

2. The Parties shall exchange best practices on risk management techniques used for customs purposes.

ARTICLE 27

Certificate of Origin

1. For the purpose of obtaining preferential tariff treatment in the other Party, a Certificate of Origin shall be issued by the authorised body of the exporting Party.
2. Each Party shall inform the customs administration of the other Party of the names and addresses of the authorised bodies issuing the Certificate of Origin and shall provide specimen impressions of official seals used by such authorised bodies. Any change in names, addresses or official seals shall be promptly notified to the other Party.
3. The Certificate of Origin shall be issued before or at the time of exportation whenever the goods to be exported can be considered originating in that Party subject to Chapter 4 (Rules of Origin). The exporter or producer shall submit a written application for the Certificate of Origin together with appropriate supporting documents proving that the products to be exported qualify for the issuance of a Certificate of Origin.
4. The Certificate of Origin, based on the formats as set out in Annex 3 (Formats of Certificates of Origin), shall be completed in the English language and duly signed and stamped, covering one or more goods under one consignment. A Certificate of Origin is applicable to a single importation of a good into the Party's territory and shall remain valid for twelve (12) months from the date of issue.
5. In cases where a Certificate of Origin has not been issued before or at the time of exportation due to involuntary errors or omissions or other valid causes, the Certificate of Origin may be issued retrospectively but not later than one (1) year from the date of shipment, bearing the words "ISSUED RETROSPECTIVELY".
6. In cases of theft, loss or accidental destruction of a Certificate of Origin, the exporter or producer may, within validity of the original Certificate of Origin, make a written request to the authorised bodies of the exporting Party for issuing a certified copy, provided that the exporter or producer makes sure that the original copy previously issued has not been used. The certified copy shall bear the words "CERTIFIED TRUE COPY of the original Certificate of Origin number ____ dated ____".

ARTICLE 28

Claims for Preferential Treatment

1. Except as otherwise provided in this Chapter, each Party's customs administration shall require an importer claiming preferential tariff treatment for a good to:

- (a) make a written declaration before or at the time of importation, in accordance with its laws and regulations, that the good qualifies as an originating good;
- (b) have a Certificate of Origin in his possession;
- (c) submit, if required by the importing customs administration, the original Certificate of Origin and such other documentation relating to the importation of the goods; and
- (d) promptly make a corrected declaration and pay any duties owed, where the importer has reason to believe that a Certificate of Origin, on which a declaration was based, contains information that is not correct.

2. A Party may deny preferential tariff treatment under this Agreement to an imported good if the importer fails to comply with any requirement of this Chapter.

3. Each Party shall provide that:

- (a) where the origin of the product is not in doubt, the discovery of minor discrepancies between the statements made in the Certificate of Origin and those made in the documents submitted to the customs administration 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, if it does in fact correspond to the same products presented; and
- (b) for multiple items declared under the same Certificate of Origin, a problem encountered with one of the items listed shall not affect or delay the granting of preferential tariff treatment and customs clearance of the remaining items listed in the Certificate of Origin.

4. Where a Certificate of Origin is not provided at the time of importation of a good, the importing Party, upon the request of the importer, may impose the applied non-preferential import customs duty or payment of a deposit equivalent to the full duties on that good as requested. In such a case, the importer will be entitled to a refund of any excess import customs duty or deposit paid if the payment refund claim is made within one (1) year from the date the good was imported, provided that the requirements in paragraph 1 are fulfilled.

ARTICLE 29

Verification of Origin

1. A Certificate of Origin is the basis for eligibility of preferential tariff treatment for goods imported from the exporting Party. In cases where verification is required, the importing Party may conduct verification by means of:

- (a) written requests for additional information from the importer;
- (b) written requests for additional information from the exporter or producer in the territory of the exporting Party;
- (c) requests that the competent authority of the exporting Party verify the origin of a good; or
- (d) such other procedures as the customs administrations of the Parties may jointly decide.

2. A verification process under paragraph 1 shall only be initiated when there are reasonable grounds to doubt the accuracy or authenticity of the origin of the goods concerned, and when the customs duty is sufficiently material to warrant the request.

3. A verification request to the competent authority of the exporting Party shall specify the reasons, and any documents and information obtained justifying the verification activities shall be forwarded to the competent authority of the requested Party.

4. To the extent allowed by its domestic laws and practices, the competent authorities of the exporting Party shall fully co-operate in any action to verify eligibility.

5. The Party conducting the verification shall, through its competent authority, inform the customs administration of the other Party of the outcome of the verification conducted.

ARTICLE 30

Waiver of Certificate of Origin

Each Party shall provide that a Certificate of Origin shall not be required for:

- (a) a commercial importation of a good whose value does not exceed US\$600 or its equivalent amount in the Party's currency, or such higher amount as it may establish, except that it may require that the invoice accompanying the importation include a

statement certifying that the good qualifies as an originating good; or

- (b) a non-commercial importation of a good whose value does not exceed US\$600 or its equivalent amount in the Party's currency, or such higher amount as it may establish,

provided that the importation does not form part of a series of importations that may reasonably be considered to have been undertaken or arranged for the purpose of avoiding the certification requirements.

ARTICLE 31

Record Keeping Requirement

1. Each Party shall require its producers, exporters and importers to retain origin documents for three (3) years.
2. Each Party shall ensure that its authorised bodies retain copies of Certificates of Origin and other documentary evidence of origin for three (3) years.
3. The records to be maintained may include electronic records and shall be maintained in accordance with the domestic laws and practices of each Party.

ARTICLE 32

Advance Rulings

1. Each Party shall issue an advance ruling, on an application of the exporter, importer or any person, that is submitted at least three (3) months before the date of importation of the goods that are the subject of the application. The importing Party shall issue its determination regarding the origin of the good within sixty (60) days of the date of an application for advance ruling, provided that all the origin requirements have been complied with. An applicant for an advance ruling from China Customs shall be registered with China Customs.
2. The importing Party shall apply an advance ruling issued by it under paragraph 1. The customs administration of each Party shall establish a validity period for an advance ruling of not less than two (2) years from the date of its issue or in accordance with its respective domestic laws.
3. The importing Party may modify or revoke an advance ruling:
 - (a) if the ruling was based on an error of fact;
 - (b) if there is a change in the material facts or circumstances on which the ruling was based;

- (c) to conform with a modification of this Chapter; or
- (d) to conform with a judicial decision or a change in its domestic laws.

4. Each Party shall provide that any modification or revocation of an advance ruling shall be effective on the date on which the modification or revocation is issued, or on such later date as may be specified therein, and shall not be applied to importations of a good that have occurred prior to that date, unless the person to whom the advance ruling was issued has not acted in accordance with its terms and conditions.

ARTICLE 33

Penalties

Each Party shall impose punitive measures for violations of its laws and regulations relating to this Chapter in accordance with its domestic legislation.

ARTICLE 34

Review and Appeal

With respect to determinations relating to eligibility for preferential treatment under this Agreement or advance rulings, each Party shall provide that importers in its territory have access to administrative review⁶ and judicial review in accordance with its domestic laws and regulations.

ARTICLE 35

Confidentiality

1. Nothing in this Agreement shall be construed to require a Party to furnish or allow access to confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice the legitimate commercial interests of particular enterprises, public or private.

2. Each Party shall maintain, in accordance with its domestic laws, the confidentiality of information collected pursuant to this Chapter, including information obtained from the verification of Certificates of Origin and shall protect that information from disclosure that could prejudice the competitive position of the persons providing the information.

⁶ For Singapore the level of administrative review may include the Ministry supervising the customs administration.

3. Pursuant to Article 31 (Record Keeping Requirement), any information communicated between the Parties concerned shall be treated as confidential and used for the validation of Certificates of Origin only.

ARTICLE 36

Third Party Invoicing

The importing Party shall accept Certificates of Origin in cases where the sales invoice is issued either by a company located in a non-Party or by an exporter in the exporting Party for the account of the said company, provided that the product meets the requirements of Chapter 4 (Rules of Origin).