To: All Manufacturers and Traders
registered with Singapore Customs

RULES OF ORIGIN UNDER THE ASEAN-AUSTRALIA-NEW ZEALAND FREE
TRADE AREA (AANZFTA) AGREEMENT

We are pleased to inform you that the AANZFTA Agreement will be implemented on
1 Jan 2010. This Circular outlines the salient points of the Rules of Origin requirements and
operational procedures for exports of originating goods claiming tariff preference in ASEAN\(^1\),
Australia and New Zealand.

2. The Trade in Goods Chapter does not have a common list of products which are
subjected to a common tariff reduction. Instead, each Party has a list of products that are
subjected to tariff reductions at different time frames. You are advised to refer to the
Schedules of Tariff Commitments as found in Annex 1 of the Agreement to obtain the
appropriate preferential tariff rate that your overseas importer can enjoy for your products
before applying for a Certificate of Origin for export to ASEAN, Australia and New Zealand.

Rules of Origin for Originating Goods

3. Your product may qualify for the preferential tariff treatment for importation into
ASEAN, Australia and New Zealand under the following rules of origin:

\[a.\] Product wholly produced or obtained in Singapore; or
\[b.\] Product satisfying the Product Specific Rules as specified in Annex 2 of the
Agreement, where applicable; or
\[c.\] Product meeting the local value or the cumulative value content of 40% or a
change in tariff heading (4 digits) between the end product and the non-
originating materials that are used in production. This rule is applicable for
products which are not listed in the Product Specific Rules as found in Annex
2 of the Agreement.

\(^1\) Please note that the following ASEAN Member States namely Brunei, Myanmar, Philippines, Singapore and
Vietnam are Parties to the AANZFTA as at the date of this Circular.
4. For manufactured products, most likely you will need to comply with either paragraph 3(b) in the case of products where their specific rules of origin have been offered or paragraph 3(c) for products not covered in the Product Specific Rules.

**Application of Back-to-Back Form AANZ Certificate of Origin (CO)**

5. As provided for in Rule 10 of the Operational Certification Procedures, the Agreement also allows for the application of Back-to-Back Form AANZ CO. This is applicable for AANZFTA origin goods that are re-exported from Singapore to another AANZ country.

**Documentation Procedures for Singapore-origin Products**

6. In order for your importer to claim preferential tariff, you must apply for the Form AANZ CO and Export Permit from Singapore Customs when you export the goods. The documentation procedures for Singapore origin products are as follows:

   a. **Step One - Factory Registration**

      The product must be manufactured by a factory that is registered with the Tariffs and Trade Services Branch (TTSB) of Singapore Customs. To register, the manufacturer may efile the "Application for Registration" via the following website:

      "http://www.customs.gov.sg/topNav/ese/Online+Services+and+Forms.htm"

      For most of you, this procedure may not apply as you are already registered with TTSB. However, for those who are producing new product lines, you are required to register your new product line with Singapore Customs.

   b. **Step Two - Submission of Manufacturing Cost Statement**

      Upon successful registration, the manufacturer is required to submit to TTSB the Manufacturing Cost Statement (MCS) for each product model to be exported. A sample copy of the MCS is in attached Annex A.

      With our approval letter for the MCS, you or your exporter may apply for the Form AANZ CO when your goods are exported to ASEAN, Australia and New Zealand. Each approved MCS is valid for one year and must be updated annually or earlier when there are changes during the year.

   c. **Step Three - Applying for the Form AANZ CO and Export Permit**

      You must apply for the Form AANZ CO and Export Permit electronically through TradeNet® before exporting your goods. You must also liaise with your software vendor to create the following new Certificate Types in your TradeNet® software:

      | Certificate Type | Description                                    |
      |------------------|-----------------------------------------------|
      | i. 29            | ASEAN-Australia-New Zealand FTA Form AANZ      |
      | ii. 30           | Back-to-Back AANZFTA Form AANZ                |
d. **Step Four - Submission of Form AANZ CO via TradeNet**

You must declare the Certificate Type as "29" in your application for CO via TradeNet. If you do not have the TradeNet software, you may engage your freight forwarder or a Service Centre to apply for it on your behalf.

The applicable origin criterion text is listed below. Please contact TTSB if you need clarification on origin criterion to be used for your exports.

<table>
<thead>
<tr>
<th>Rules of Origin Criterion</th>
<th>Text to Appear in Box 8 of CO</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Goods wholly produced or obtained satisfying Article 2.1(a) of the Agreement</td>
<td>“WO”</td>
</tr>
<tr>
<td>(b) Goods produced entirely satisfying Article 2.1(c) of the Agreement</td>
<td>“PE”</td>
</tr>
<tr>
<td>(c) Not wholly produced or obtained in a Party, provided that the goods satisfy Article 4.1(a) of the Agreement</td>
<td>“RVC”</td>
</tr>
<tr>
<td>(d) Not wholly produced or obtained in a Party, provided that the goods satisfy Article 4.1(b) of the Agreement</td>
<td>“CTH”</td>
</tr>
</tbody>
</table>
| (e) Not wholly produced or obtained in a Party, provided that the goods satisfy Article 4.2, i.e., if the good is specified in Annex 2, all the product specific requirements listed have been met:  
  - Change in Tariff Classification  
  - Regional Value Content  
  - Other, including a Specific Manufacturing or Processing Operation or a CTC or RVC requirement combined with an additional requirement | “PSR(CTC)”  
  “PSR(RVC)”  
  “PSR(Other)” |

**Documentation Procedures for Back-to-Back AANZFTA Form AANZ CO**

7. If you are applying for Back-to-Back AANZFTA Form AANZ CO, the above procedures in paragraphs 6 (a) to (b) do not apply to you. However, you need to select the Certificate Type “30” to indicate that you are applying for a Back-to-Back AANZFTA Form AANZ CO in the TradeNet software since you are re-exporting AANZFTA origin goods to another AANZFTA country. The usual documentary requirements for back-to-back CO applications will apply.
Usage of the FORM AANZ CO

8. A sample copy of the Form AANZ CO is attached in Annex B for your reference. The Form AANZ CO comprises one original copy and two carbonised copies all in white colour.

9. Upon approval, Singapore Customs will retain one of the carbonised copies of Form AANZ CO and return the Original and the remaining carbonised copy to the applicant. The exporter must sign all the copies of the Form AANZ CO before dispatching the Original copy to his importer. This CO is valid for one (1) year from the date of issuance and the importer shall present the Original copy to his Customs Authority upon clearance of goods at the port within the validity period of the CO. The exporter should retain the carbonised copy for record keeping.

10. Please note that the AANZ Form CO has an additional column 13 which may be applicable to some of you. Exporters are required to indicate a tick (√) in the appropriate box of column 13 of Form AANZ CO in the following scenarios:

   a. Invoices which are issued by a third country, “the Third Country Invoicing” box must be indicated with a tick (√) and the words “SUBJECT OF THIRD-PARTY INVOICE (name of company issuing the invoice)” shall be indicated in box 7.

   b. For Back-to-Back CO, the “Back-to-Back CO” box shall be indicated with a tick (√) in accordance with paragraph 3 of Rule 10 of the Operational Certification Procedures.

   c. The box for “Issued Retroactively” shall be ticked when the AANZ Form CO is issued after 3 days from the date of shipment.

Retention of Documents

11. Documents relating to the production and shipment of exports accompanied by the Form AANZ CO should be kept for at least 3 years after the date on which the CO was issued for post-verification checks by the Singapore Customs or ASEAN, Australia and New Zealand Customs authorities.

Website for Downloading of Details of Agreement

12. The full details on AANZFTA Agreement are available in the following website:
- [http://www.aseansec.org/22260.pdf](http://www.aseansec.org/22260.pdf)

13. We encourage you to familiarise yourself with the Rules of Origin requirements and take advantage of the benefits of the AANZFTA Agreement for exports to ASEAN, Australia and New Zealand. Please share the contents of this circular with other colleagues in your organisation and business partners if relevant.
Operational Procedures for Preferential Tariff for Imports from ASEAN, Australia and New Zealand


Enquiries

15. For enquiries, you may:

   a. email to “customs_roo@customs.gov.sg” on the application procedures for Form AANZ CO; and

   b. raise your queries to IE Singapore via the IE Singapore’s FTA website (http://www.iesingapore.gov.sg) on clarification of tariff reduction.

DAVID FOO
HEAD
TARIFFS AND TRADE SERVICES BRANCH
for DIRECTOR-GENERAL OF CUSTOMS
## Annex A

### SAMPLE FORMAT

**COST STATEMENT FOR THE EXPORT OF PRODUCT UNDER THE AANZFTA AGREEMENT**

<table>
<thead>
<tr>
<th>Name of Manufacturer :</th>
<th>UEN:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description of Product :</strong></td>
<td><strong>HS Code:</strong></td>
</tr>
<tr>
<td><strong>Model No</strong> :</td>
<td><strong>Unit Price:</strong> S$ (FOB)</td>
</tr>
<tr>
<td><strong>Country exported to</strong> :</td>
<td></td>
</tr>
</tbody>
</table>

This Cost Statement is for _____ Unit(s)  
Date of Cost Statement :

<table>
<thead>
<tr>
<th></th>
<th>HS Code *</th>
<th>Country of Origin</th>
<th>Supplier’s Name (if Locally Manufactured)</th>
<th>Unit Cost (CIF)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Local</td>
<td>Foreign</td>
<td>ASEAN, Australia or New Zealand</td>
<td>Total</td>
</tr>
</tbody>
</table>

1. **Raw Materials, Parts & Components**  
(Please give detailed breakdown)
   
   a)  
   b)  
   c)  
   d)  

2. **Direct Labour Cost** :
   Wages  
   Other benefits (CPF, medical benefits etc)  
   (Please give detailed breakdown)

3. **Direct Overhead Cost** :
   (eg Factory rent, Depreciation costs, Maintenance)  
   (Please give detailed breakdown)

4. **Ex-Factory Cost (1+2+3)**

5. **Profit**

6. **Ex-Factory Price (4+5)**

* Please declare the HS Subheading Code (first 6-digit) of foreign materials and materials of undetermined origin.

**Calculations**:

\[
\text{Regional Value Content} = \frac{\text{AANZFTA Material Cost} + \text{Direct Labour & Direct Overheads} + \text{Profit}}{\text{FOB Price}} \times 100 = \% \]

**Declaration**:
I declare that the information provided by me is true and correct. I will permit, as and when required, inspection of our factory/goods by officers of the Singapore Customs and undertake to maintain up-to-date costing records.

____________________________  ______________________________
Signature & Name of Managing Director  Signature & Name of Accountant

This cost statement is prepared by :  
Signature : ______________

Tel :

(Please see next page for Guidelines)
The following procedures will apply when submitting the Manufacturing Cost Statement for the Tariffs and Trade Services Branch's verification:

1) Check with the Tariffs and Trade Services Branch of the Singapore Customs on the origin criteria that your product must comply with to qualify for preferential treatment.

2) Prepare the Cost Statement for every product model to be exported. This must be prepared on your Company's letterhead according to the format prescribed by the Tariffs and Trade Services Branch.

3) Submit your Cost Statement for the product which must reach the Tariffs and Trade Services Branch at least 7 working days before the export of goods.

4) Give actual cost of materials used, labour and overhead costs in each Cost Statement. Projection of production costs is not allowed.

5) Submit supplier's invoice for
   a. every material used that is manufactured locally; and
   b. material used is of ASEAN, Australia or New Zealand origin and you wish to qualify your product under the AANZFTA Cumulative Content.

   For item (b), you must obtain the Form AANZ CO as proof that the material originates in ASEAN, Australia or New Zealand.

6) Update your costing yearly or earlier when there are variations in your prices, costs, sources of materials used, etc.

7) Ensure that the Cost Statement is declared to be true and correct by the Managing Director and the Accountant.

8) Contact the Tariffs and Trade Services Branch for advice when you need clarification in preparing the Cost Statement.
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Annex B

| 1. Goods Consigned from (Exporter's name, address and country) |
| Certificate No. |
| Form AANZ |
| AGREEMENT ESTABLISHING THE ASEAN-AUSTRALIA - NEW ZEALAND FREE TRADE AREA (AANZFTA) |
| CERTIFICATE OF ORIGIN |
| (Combined Declaration and Certificate) |
| Issued in Singapore |
| (See Overleaf Notes) |
| 2. Goods Consigned to (Importer's/Consignee's name, address, country): |
| 3. Means of transport and route (if known) |
| Shipment Date: |
| Vessel's name/Aircraft etc.: |
| Port of Discharge: |
| 4. For Official Use |
| ☐ Preferential Treatment Given Under AANZFTA |
| ☐ Preferential Treatment Not Given (Please state reasons) |

<table>
<thead>
<tr>
<th>5. Item number</th>
<th>6. Marks and numbers on packages</th>
<th>7. Number and kind of packages; description of goods including H.S. Code (if applicable) and brand name (if applicable)</th>
<th>8. Origin Conforming Criterion (see Overleaf Notes)</th>
<th>9. Quantity (Gross weight or other measurement) and value (F.O.S. (see Overleaf Notes))</th>
<th>10. Invoice number(s) and date of invoice(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| 11. Declaration by the exporter |
| The undersigned hereby declare that the above details and statements are correct, that all the goods were produced in |
| (country) |
| and that they comply with the rules of origin, as provided in Chapter 3 of the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area for the goods exported to |
| (Importing country) |

| 12. Certification |
| On the basis of control carried out, it is hereby certified that the information herein is correct and that the goods described comply with the origin requirements specified in the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area. |

Place and date, name, signature and company of authorized signatory

Place and date, signature and stamp of Authorized Issuing Authority/Body

| ☐ Do Minima | ☐ Accumulation | |

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8
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OVERLEAF NOTES
1. Countries which accept this form for the purpose of preferential treatment under the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (the Agreement):
   - Australia
   - Brunei Darussalam
   - Cambodia
   - Indonesia
   - Lao PDR
   - Malaysia
   - Myanmar
   - New Zealand
   - Philippines
   - Singapore
   - Thailand
   - Viet Nam
   (hereinafter individually referred to as a Party)

2. CONDITIONS: To be eligible for the preferential treatment under the AANZFTA, goods must:
   a. Fall within a description of products eligible for concessions in the importing Party;
   b. Comply with all relevant provisions of Chapter 3 (Rules of Origin) of the Agreement.

3. EXPORTER AND CONSIGNEE: Details of the exporter of the goods (including name, address and country) and consignee (name and address) must be provided in Box 1 and Box 2, respectively.

4. DESCRIPTION OF GOODS: The description of each good in Box 7 must include the Harmonized Commodity Description and Coding System (HS) subheading at the 6-digit level of the exported product, and if applicable, product name and brand name. This information should be sufficiently detailed to enable the products to be identified by the customs officer examining them.

5. ORIGIN CRITERIA: For the goods that meet the origin criteria, the exporter should indicate in Box 8 of this Form, the origin criteria met, in the manner shown in the following table:

<table>
<thead>
<tr>
<th>Circumstances of production or manufacture in the country named in Box 11 of this form:</th>
<th>Insert in Box 8</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Goods wholly produced or obtained satisfying Article 2.1(a) of the Agreement</td>
<td>WO</td>
</tr>
<tr>
<td>(b) Goods produced entirely satisfying Article 2.1(c) of the Agreement</td>
<td>PE</td>
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<td>RVC</td>
</tr>
<tr>
<td>(d) Not wholly produced or obtained in a Party, provided that the goods satisfy Article 4.1(b) of the Agreement</td>
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</tr>
<tr>
<td>- Change in Tariff Classification</td>
<td>PSR(CTC)</td>
</tr>
<tr>
<td>- Regional Value Content</td>
<td>PSR(RVC)</td>
</tr>
<tr>
<td>- Other, including a Specific Manufacturing or Processing Operation or a CTC or RVC requirement combined with an additional requirement</td>
<td>PSR(Other)</td>
</tr>
</tbody>
</table>

6. EACH GOOD CLAIMING PREFERENTIAL TARIFF TREATMENT MUST QUALIFY IN ITS OWN RIGHT: It should be noted that all the goods 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 exported.

7. FOB VALUE:
   - An exporter from an ASEAN Member State must provide in Box 9 the FOB value of the goods
   - An exporter from Australia or New Zealand can complete either Box 9 or provide a separate “Exporter Declaration” stating the FOB value of the goods.

8. INVOICES: Indicate the invoice number and date for each item. The invoice should be the one issued for the importation of the good into the importing Party.

9. SUBJECT OF THIRD PARTY INVOICE: In case where invoices are issued by a third country, in accordance with Rule 22 of the Operational Certification Procedures, the “SUBJECT OF THIRD-PARTY INVOICE” box in Box 13 should be ticked (√). The number of invoices issued by the manufacturers or the exporters and the number of invoice issued by the trader (if known) for the importation of goods into the importing Party should be indicated in Box 10.

10. BACK-TO-BACK CERTIFICATE OF ORIGIN: In the case of a back-to-back certificate of origin issued in accordance with paragraph 3 of Rule 10 of the Operational Certification Procedures, the back-to-back certificate of origin in Box 13 should be ticked (√).

11. CERTIFIED TRUE COPY: In case of a certified true copy, the words “CERTIFIED TRUE COPY” should be written or stamped on Box 12 with the date of issuance of the copy in accordance with Rule 11 of the Operational Certification Procedures.

12. FOR OFFICIAL USE: The Customs Authority of the Importing Party must indicate (√) in the relevant boxes in Box 4 whether or not preferential tariff treatment is accorded.

13. BOX 13: The items in Box 13 should be ticked (√), as appropriate, in those cases where such items are relevant to the goods covered by the Certificate.