

ANNEX III
RULES OF ORIGIN

In determining the origin of a good eligible for preferential tariff treatment pursuant to Article 8 of this Agreement, the following Rules shall apply:

Rule 1
Definitions

For the purposes of this Annex:

aquaculture means the farming of aquatic organisms including fish, mollusks, 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, or protection from predators;

CIF means the value of the good imported, and includes the cost of freight and insurance up to the port or place of entry into the country of importation;

customs authority means the competent authority that according to the laws and regulations of each Party is responsible for examining the eligibility of goods imported from an exporting Party for preferential tariff treatment:

- (i) for Indonesia, the competent authority is Directorate General of Customs and Excise, Ministry of Finance, or its successor; and
- (ii) for Mozambique, the competent authority is General Directorate for Customs, Mozambican Revenue Authority, Ministry of Economy and Finance, or its successor

FOB means the free-on-board value of the good, inclusive of the cost of transport to the port or site of final shipment abroad;

generally accepted accounting principles means the recognized consensus or substantial authoritative support in 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;

goods shall include materials or products, which can be wholly obtained or produced, even if they are intended for later use as materials in another production process. For the purposes of this Annex, the terms "goods" and "products" can be used interchangeably;

Harmonized System (HS) means the nomenclature of the Harmonized Commodity Description and Coding System defined in the International Convention on the Harmonized Commodity Description and Coding System including all legal notes thereto, as in force and as amended from time to time;

issuing authority means the competent authority, or an entity designated by the competent authority, that according to the laws and regulations of each Party is responsible for the issuing of a certificate of origin;

- (i) for Indonesia, the competent authority is Directorate General of Foreign Trade, Ministry of Trade, or its successor; and
- (ii) for Mozambique, the competent authority is General Directorate for Customs, Mozambican Revenue Authority, Ministry of Economy and Finance, or its successor;

materials shall include raw materials, ingredients, parts, components, sub-components, sub-assembly or goods that are physically incorporated into another good or are subject to a process in the production of another good;

originating goods means goods that qualify as originating in accordance with the provisions of this Annex;

production means methods of obtaining goods including growing, mining, harvesting, raising, breeding, extracting, gathering, collecting, capturing, fishing, trapping, hunting, manufacturing, producing, processing or assembling a good;

product specific rules means the rules that specify that the materials have undergone a change in tariff classification or a specific manufacturing or processing operation, or satisfy a qualifying value content criterion or a combination of any of these criteria or any other criteria agreed by the Parties.

Rule 2: Origin Criteria

For the purposes of this Agreement, a good imported into the territory of a Party shall be deemed to be originating and eligible for preferential tariff treatment if it conforms to the origin requirements under any one of the following:

- (a) a good which is wholly obtained or produced in the territory of the exporting Party as set out and defined in Rule 3; or
- (b) a good which is not wholly obtained or produced in the territory of the exporting Party, provided that the said good is eligible under Rule 4 or Rule 5.

and meets all other applicable requirements of this Annex.

Rule 3: Wholly Obtained or Produced Goods

Within the meaning of Rule 2(a), the following shall be considered as wholly obtained or produced in the territory of a Party:

- (a) plants and plant products harvested, picked or gathered there;
- (b) live animals born and raised there;
- (c) goods obtained from live animals referred to in paragraph (b) above;
- (d) goods obtained from hunting, trapping, fishing, aquaculture, gathering or capturing conducted there;
- (e) minerals and other naturally occurring substances, not included in paragraphs (a) to (d), extracted or taken from its soil, waters, seabed or beneath their seabed;
- (f) products of sea fishing taken by vessels registered with the Party and entitled to fly its flag, and other products taken by the Party or a person of that Party from the waters, seabed or beneath the seabed outside the territorial waters of that Party, provided that Party has the rights to exploit¹ such waters, seabed and beneath the seabed in accordance with international law²;
- (g) products of sea fishing and other marine products taken from the high seas by vessels registered with a Party and entitled to fly the flag of that Party;
- (h) products processed or made on board factory ships registered with a Party and entitled to fly the flag of that Party, exclusively from products referred to in paragraph (g);
- (i) articles collected there which can no longer perform their original purpose nor are capable of being restored or repaired and are fit only for disposal or recovery of parts of raw materials, or for recycling purposes;
- (j) waste and scrap derived from:
 - (i) production in the exporting Party; or
 - (ii) used goods collected in the exporting Party, provided that such goods are fit only for the recovery of raw materials; and
- (k) goods obtained or produced in the territory of a Party solely from products referred to in paragraphs (a) to (j).

¹ The Parties understand that for the purposes of determining the origin of products of sea-fishing and other products, "rights" in sub-paragraph (f) of Rule 3 include those rights of access to the fisheries resources of a coastal state, as accruing from agreements or other arrangements concluded between a Party and the coastal state at the level of governments or duly authorized private entities.

² "International law" in sub-paragraph (f) of Rule 3 refers to generally accepted international law such as the United Nations Convention on the Law of the Sea.

Rule 4: Not Wholly Obtained or Produced Goods

1. For the purposes of Rule 2(b), a good shall be deemed to be originating if the good has a qualifying value content (hereinafter referred to as the "QVC") is not less than 40% of the FOB value.
2. (a) Notwithstanding paragraph 1, goods listed in Attachment B shall qualify as originating goods if the goods satisfy the product specific rules set out therein.
(b) Where a product specific rule provides a choice of rules from a QVC-based rule of origin, a CTC-based rule of origin, a specific manufacturing or processing operation, or a combination of any of these, each Party shall permit the exporter of the goods to decide which rule to use in determining whether the goods qualify as originating goods of the Party.
(c) Where product specific rules specify a certain QVC, it is required that the QVC of a good is calculated using the formula set out in paragraph 4 of this Rule.
(d) Where product specific rules requiring that the materials used have undergone CTC or a specific manufacturing or processing operation, the rules shall apply only to non-originating materials.
3. The application of paragraphs 1 and 2 above shall be deemed fulfilled provided that the substantial transformation process of production is performed within the territory of the exporting Party.
4. For the purpose of this Rule, the formula for calculating QVC is as follows:

(a) Direct Method

$$QVC = \frac{\text{IM-PTA Material Cost} + \text{Labour Cost} + \text{Overhead Cost} + \text{Other Cost} + \text{Profit}}{\text{FOB Value}} \times 100\% \geq 40\%$$

or

(b) Indirect Method

$$QVC = \frac{\text{FOB Value} - \text{Value of Non-Originating Materials}}{\text{FOB Value}} \times 100\% \geq 40\%$$

5. For the purpose of calculating the QVC provided in paragraph 4 of this Rule:

- (a) IM-PTA Material Cost is the value of originating materials, parts or produce that are acquired or self-produced by the producer in the production of the good;
- (b) The value of the non-originating materials shall be:
 - (i) the CIF value at the time of importation of the materials;
or
 - (ii) the earliest ascertained price paid for the materials of undetermined origin in the territory of the Party where the working or processing takes place;

- (c) Labour Cost shall include wages, remuneration and another employee benefit;
- (d) Overhead Cost is the total overhead expense; and(e) Other Costs are the costs incurred in placing the good in the ship or other means of transport for export including, but not limited to, domestic transport costs, storage and warehousing, port handling, brokerage fees and service charges.

Rule 5: Accumulation

For the purposes of Rule 2, a good which complies with the origin requirements provided therein and which is used in the other Party as a material in the production of another good shall be considered to originate in the Party where working or processing of the finished good has taken place.

Rule 6: *De Minimis*

For the application of the product specific rules set out in Attachment B:

- (a) A good that does not undergo a change in tariff classification shall be considered as originating if the value of all non-originating materials used in its production that do not undergo the required change in tariff classification does not exceed ten percent (10%) of the FOB value of the good and the good meets all other applicable criteria set forth in this Agreement for qualifying as an originating good.
- (b) The value of non-originating materials referred to in paragraph (a) of this Rule shall, however, be included in the value of non-originating materials for any applicable QVC requirement for the good.

Rule 7: Non-Qualifying Operations

Notwithstanding any provisions in this Annex, a good shall not be considered to be originating in the territory of a Party if the following operations are undertaken exclusively by itself or in combination in the territory of that Party:

- (a) preservation of products in good condition for the purposes of transport or storage;
- (b) changes of packaging, or breaking-up and assembly of packages;
- (c) simple³ washing, cleaning, including removal of dust, oxide, oil, paint or other coverings;
- (d) simple painting and polishing operations;
- (e) simple testing or calibration;

³ "simple" generally describes an activity which does not need special skills, machines apparatus or equipment especially produced or installed for carrying out the activity.

- (f) husking, partial or total bleaching, polishing and glazing of cereals and rice;
- (g) sharpening, simple grinding slicing or simple cutting;
- (h) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
- (i) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;
- (j) simple mixing⁴ of products, whether or not of different kinds;
- (k) simple assembly of parts of products to constitute a complete product or disassembly of products into parts; and
- (l) sifting, screening, sorting, classifying, grading, matching.

Rule 8: Direct Consignment

A good will retain its originating status as determined under Rule 2 if the following conditions have been met:

- (a) the good is transported directly from the exporting Party to the importing Party; or
- (b) the good has transited through one or more non-parties, provided that:
 - (i) the good has not undergone subsequent production or any other operation outside the territories of the Parties other than unloading, reloading, storing, or any other operations necessary to preserve them in good condition or to transport them to the importing Party;
 - (ii) the good has not entered the commerce of a non-party; and
 - (iii) the transit entry is justified for geographical reason, or by consideration related exclusively to transport requirements.

Rule 9: Exhibition

1. Originating goods, sent from exporting Party for exhibition to territory of the other Party and sold during or after the exhibition, shall be granted preferential tariff treatment provided that it is shown to the satisfaction of the customs authority of the importing Party that:

- (a) an exporter has dispatched the originating goods from the exporting Party to the other Party where the exhibition is held and has exhibited such goods there;

⁴ "simple mixing" generally describes an activity which does not need special skills, machines, apparatus or equipment especially produced or installed for carrying out the activity. However, simple mixing does not include chemical reaction. Chemical reaction means a process (including a biochemical process) which result in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

- (b) the exporter has sold the originating goods or transferred such goods to a consignee in the importing Party; and
 - (c) the originating goods have been consigned during the exhibition or immediately thereafter to the importing Party in the state in which such goods were sent for the exhibition.
2. For the purposes of implementing paragraph 1, the certificate of origin shall be provided to the customs authority of the importing Party. The name and address of the exhibition must be indicated thereon. Where necessary, additional documentary evidence of the conditions under which they have been exhibited may be required.
3. Paragraph 1 shall apply to any trade, agricultural or crafts exhibition, fair or similar show or display which is not organised for private purposes in shops or business premises with the view to the sale of foreign goods and where the goods remain under customs control during the exhibition.

Rule 10: Treatment of Packing Materials and Containers

1. Packing materials and containers for transportation and shipment of a good shall not be taken into account in determining the origin of any good.
2. Packing materials and containers in which a good is packaged for retail sale, when classified together with that good, shall not be taken into account in determining whether all of the non-originating materials used in the production of the good have met the applicable change in tariff classification requirements for the good.
3. If a good is subject to a QVC requirement, the value of the packing materials and containers in which the good is packaged for retail sale shall be taken into account as originating or non-originating materials, as the case may be, in calculating the QVC of the good.
4. For the purposes of paragraph 1, "packing materials and containers for transportation and shipment of a good" means goods used to protect a good during its transportation and shipment, different from those containers or materials in which a good is packaged or presented for its retail sale.
5. For the purposes of paragraph 2 and paragraph 3, "packing materials and containers for retail sale" means materials or containers in which a good is packaged or presented for its retail sale.

Rule 11: Accessories, Spare Parts, Tools, and Instructional or other Information Materials

1. For the purposes of determining the origin of a good, accessories, spare parts, tools and instructional or other information materials presented with the good shall be considered part of that good and shall be disregarded in determining whether all the non-originating materials used in the production of the originating good have undergone the applicable change in tariff classification, provided that:

- (a) the accessories, spare parts, tools and instructional or other information materials presented with the good are not invoiced separately from the originating good; and
 - (b) the quantities and value of the accessories, spare parts, tools and instructional or other information materials presented with the good are customary for that good.
2. Notwithstanding Paragraph 1, if the good is subject to a QVC requirement, the value of the accessories, spare parts, tools and instructional or other information materials presented with the good shall be taken into account as originating or non-originating materials, as the case may be, in calculating the QVC of the good.
3. Paragraph 1 and 2 do not apply where accessories, spare parts, tools and instructional or other information materials presented with the good have been added solely for the purpose of artificially raising the QVC of that good, provided it is proven subsequently by the importing Party that they are not sold therewith.

Rule 12: Indirect Materials

1. Indirect materials shall be treated as originating materials regardless of where they are produced.
2. For the purposes of this Rule, the term "indirect materials" means goods used in the production, testing, or inspection of another good but not physically incorporated into the good, or goods used in the maintenance of buildings or the operation of equipment associated with the production of another good, including:
- (a) fuel and energy;
 - (b) tools, dies and moulds;
 - (c) spare parts and materials used in the maintenance of equipment and buildings;
 - (d) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;
 - (e) gloves, glasses, footwear, clothing, safety equipment and supplies;
 - (f) equipment, devices and supplies used for testing or inspecting the good;
 - (g) catalysts and solvents; and
 - (h) 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.

Rule 13: Identical and Interchangeable Materials

1. The determination of whether identical and interchangeable materials are originating materials shall be made either by physical segregation of each of the materials or by the use of generally accepted accounting principles of

stock control applicable, or inventory management practice, in the exporting Party.

2. The inventory management method used under paragraph 1 for particular identical and interchangeable materials shall continue to be used for that material throughout the fiscal year.

3. For the purposes of this Rule, "identical and interchangeable materials" means materials that are fungible as a result of being of the same kind and commercial quality, possessing the same technical and physical characteristics, and which once they are incorporated into the finished product cannot be distinguished from one another for origin purposes by virtue of any markings or mere visual examination.

Rule 14: Claim for Preferential Tariff Treatment

A claim that a good shall be accepted as eligible for preferential tariff treatment shall be supported by a certificate of origin (Form IM) as set out in Appendix 1 of Attachment A issued by the competent authority of the exporting Party in accordance with the Operational Certification Procedures.

Rule 15: Review and Modification

This Annex shall be reviewed and amended in accordance with Articles 19 and 21 of this Agreement.

Attachment A

OPERATIONAL CERTIFICATION PROCEDURES FOR THE RULES OF ORIGIN

For the purpose of implementing the Rules of Origin, the following operational procedures on the issuance of a certificate of origin, verification of origin, and the other related administrative matters shall apply:

ISSUING AUTHORITY

Article 1

The certificate of origin shall be issued by the issuing authority of the exporting Party.

Article 2

1. The Party shall provide the other party the list of the names and addresses of their respective issuing authorities, and the list of specimen signatures and specimen of official seals used by their said issuing authorities, in hard copy and soft copy format.
2. Any changes in names, addresses, or official seals shall be promptly informed in the same manner as stated above.
3. Any certificate of origin issued by an official not included in the list referred to in paragraph 1 shall not be accepted by the customs authorities of importing Party.

Article 3

For the purpose of determining originating status, the issuing authorities shall have the right to call for any supporting documentary evidence or to carry out any check considered appropriate. If such right cannot be obtained through the existing national laws and regulations, it shall be inserted as a clause in the application form referred to in the following Article 4.

ISSUANCE OF A CERTIFICATE OF ORIGIN

Article 4

At the time of carrying out the formalities for exporting the products under preferential treatment, the exporter or its authorized representative shall submit a formal application to the issuing authority 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.

Article 5

The issuing authorities shall, to the best of their competence and ability, carry out proper examination upon each application for the certificate of origin to ensure that:

- (a) The application and the certificate of origin are duly completed and signed by the authorized signatory;
- (b) The origin of the product is in conformity with the Rules of Origin of this Agreement;
- (c) The other statements of the certificate of origin correspond to supporting documentary evidence submitted;
- (d) HS Code, Description, quantity and Value conform to the products to be exported;
- (e) Multiple items declared on the same certificate of origin shall be allowed provided that each item qualifies separately in its own right.

Article 6

1. The certificate of origin (Form IM) shall be on ISO A4 size paper in conformity to the specimen as shown in Appendix 1. It shall be made in English.
2. The certificate of origin shall comprise one original and two copies.
3. Each certificate of origin shall bear a reference number separately given by each place or office of issuance.
4. The original shall be forwarded, by the exporter to the importer for submission to the customs authorities at the port of place of importation. Duplicate copy shall be retained by the issuing authority in the exporting Party, and the triplicate copy shall be retained by the exporter.
5. The validity of the certificate of origin shall be 12 months from the date of its issuance.

Article 7

To implement the provisions of Rule 2 (Origin Criteria) of the Rules of Origin, the certificate of origin issued by the exporting Party shall indicate the relevant rules and applicable percentage in the relevant column of the Form IM.

Article 8

Neither erasures nor superimposition shall be allowed on the certificate of origin. Any alterations shall be made by:

- (a) striking out the erroneous materials and making any additions required. Such alterations shall be approved by an authorized signatory of the applicant and certified by the appropriate issuing authorities. Unused spaces shall be crossed out to prevent any subsequent addition; or

- (b) issuing a new certificate of origin to replace the erroneous one.

Article 9

1. The certificate of origin shall be issued by the issuing authorities of the exporting Party prior to or at the time of shipment or within 5 (five) days thereafter whenever the products to be exported can be considered originating in that Party within the meaning of the Rules of Origin.

2. In exceptional cases where a certificate of origin has not been issued prior to or at the time of exportation or soon thereafter due to involuntary errors or omissions or other valid causes, the certificate of origin may be issued retroactively but no longer than 12 months from the date of shipment, in which case it is necessary to indicate "ISSUED RETROACTIVELY" in box 13 of Form IM.

Article 10

In the event of theft, loss or destruction of a certificate of origin, the exporter may apply in writing to the issuing authorities, which issued it, for the certified true copy of the original and the triplicate to be made on the basis of the export documents in their possession bearing the endorsement of the words "CERTIFIED TRUE COPY" in box 12. This copy shall bear the date of the original certificate of origin. The certified true copy of a certificate of origin shall be issued within the validity period of the original certificate.

PRESENTATION

Article 11

The original certificate of origin shall be submitted by the importer or its authorized representative to the concerned customs authorities at the time of filing the import declaration for the products concerned.

Article 12

The following time limit for the presentation of the certificate of origin shall be observed:

- (a) certificate of origin shall be submitted to the customs authorities of the importing Party within its validity period
- (b) where the certificate of origin is submitted to the customs authorities of the importing Party after the expiration of the time limit for its submission, such certificate is still to be accepted when failure to observe the time limit results from force majeure or other valid causes beyond the control of the exporter; and
- (c) in all cases, the customs authorities in the importing Party may accept such certificate of origin provided that the products have

been imported before the expiration of the time limit of the said certificate of origin.

Article 13

In the case of consignments of goods originating in the exporting Party and not exceeding US\$200.00 FOB, the production of a certificate of origin shall be waived and the use of simplified declaration by the exporter that the goods in question have originated in the exporting Party shall be accepted.

TREATMENT OF MINOR DISCREPANCIES

Article 14

1. The discovery of minor discrepancies between the statements made in the certificate of origin and those made in the documents submitted to the customs authorities of the importing Party for the purpose of carrying out the formalities for importing the goods shall not ipso-facto invalidate the certificate of origin, if it does in fact correspond to the goods submitted.

2. 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 that certificate of origin. Paragraph 3 of Article 16 may be applied to the problematic items.

RECORD KEEPING REQUIREMENT

Article 15

1. For the purposes of the verification process pursuant to Article 16 and 17 of this Attachment, the producer or exporter applying for the issuance of a certificate of origin shall, subject to the domestic laws and regulations of the exporting Party, keep its supporting records for application for not less than four years from the date of issuance of the certificate of origin.

2. The importer shall keep records relevant to the importation in accordance with the domestic laws and regulations of the importing Party.

3. The application for certificates of origin and all documents related to such application shall be retained by the issuing authority for not less than four years from the date of issuance.

4. Information relating to the validity of a certificate of origin shall be furnished upon request of the importing Party by an official authorized to sign a certificate of origin and certified by the appropriate government authorities.

5. Any information communicated between the Parties concerned shall be treated as confidential and shall be used for the validation of certificates of origin purpose only.

VERIFICATION OF ORIGIN

Article 16

1. The customs authorities of the importing Party may request a retroactive check at random 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.
2. The request shall be accompanied with the copy of certificate of origin concerned and shall specify the reasons and any additional information suggesting that the particulars given on the said certificate of origin may be inaccurate, unless the retroactive check is requested on a random basis
3. The customs authorities of the importing Party may suspend the provisions on preferential treatment while awaiting the result of verification. However, it may release the products to the importer subject to any administrative measures deemed necessary, provided that they are not held to be subject to import prohibition or restriction and there is no suspicion of fraud.
4. The issuing authorities receiving a request for retroactive check shall respond to the request promptly and reply not later than 45 (forty five) days after the receipt of the request.

Article 17

1. If the customs authorities of the importing Party is not satisfied with the outcome of the retroactive check, it may, under exceptional circumstances, request verification visit to the exporting Party.
2. Prior to conducting a verification visit pursuant to paragraph 1:
 - (a) the customs authorities of the importing Party shall deliver a written notification of its intention to conduct the verification visit simultaneously to:
 - (i) the producer or exporter whose premises are to be visited;
 - (ii) the issuing authority of the Party in the territory of which the verification visit is to occur;
 - (iii) the customs authority of the Party in the territory of which the verification visit is to occur; and
 - (iv) the importer of the good subject to the verification visit.
 - (b) the written notification mentioned in sub-paragraph (a) shall be as comprehensive as possible and shall include, among others:
 - (i) the name of the customs authority issuing the notification;
 - (ii) the name of the producer or exporter whose premises are to be visited;
 - (iii) the proposed date of the verification visit;
 - (iv) the coverage of the proposed verification visit, including reference to the good subject to the verification; and
 - (v) the names and designation of the officials performing the verification visit.

- (c) the customs authorities of the importing Party shall obtain the written consent of the producer or exporter whose premises are to be visited;
- (d) when a written consent from the producer or exporter is not obtained within 30 (thirty) days from the date of receipt of the notification pursuant to sub-paragraph (a), the customs authorities of the importing Party may deny preferential tariff treatment to the good referred to in the said certificate of origin that would have been subject to the verification visit; and
- (e) the issuing authority receiving the notification may postpone the proposed verification visit and notify the customs authorities of the importing Party of such intention within 15 (fifteen) days from the date of receipt of the notification. Notwithstanding any postponement, any verification visit shall be carried out within 60 (sixty) days from the date of such receipt, or a longer period as the Parties may agree.

3. The customs authorities of the importing Party conducting the verification visit shall provide the producer or exporter, whose good is subject to such verification, and the relevant issuing authority with a written determination of whether or not the good subject to such verification qualifies as an originating good.

4. Any suspended preferential tariff treatment shall be reinstated upon the written determination referred to in paragraph 3 that the good qualifies as an originating good.

5. The producer or exporter shall be allowed 30 (thirty) days from the date of receipt of the written determination to provide in writing comments or additional information regarding the eligibility of the good for preferential tariff treatment. If the good is still found to be non-originating, the final written determination shall be communicated to the issuing authority within 30 (thirty) days from the date of receipt of the comments/additional information from the producer or exporter.

6. The verification visit process, including the actual visit and the determination under paragraph 3 whether the good subject to such verification is originating or not, shall be carried out and its results communicated to the issuing authority within a maximum period of 6 (six) months from the first day the initial verification visit was conducted. While the process of verification is being undertaken, paragraph 3 of Article 16 shall be applied.

CONSIGNMENT DOCUMENTS

Article 18

For the purpose of implementing Rule 8 (Direct Consignment) where transportation is effected through the territory of any non-party, the following shall be provided to the customs authority of the importing Party:

- (a) a through Bill of Lading issued in the exporting Party; or

- (b) supporting documents or any other information, given by the customs authorities of such non-party or other relevant entities which evidences that the requirements of Rule 8 (b) have been complied with.

THIRD PARTY INVOICING

Article 19

1. The importing Party shall not reject a claim for preferential tariff treatment for the sole reason that the invoice was not issued by the exporter of the goods, provided that the goods meet the requirements of this Annex.
2. The exporter of the goods shall indicate "third party invoice" and such information as name and country of the company issuing the invoice shall appear in the certificate of origin.

ACTIONS AGAINST FRAUDULENT ACTS

Article 20

1. When it is suspected that fraudulent acts in connection with the certificate of origin have been committed, the competent authorities concerned shall co-operate in the action to be taken in the territory of the respective Party against the persons involved.
2. Each Party shall be responsible for providing legal sanctions for fraudulent acts related to the certificate of origin.

Article 21

In the case of differences concerning origin determination, classification of goods or other matters, the competent authorities concerned in both the importing and the exporting party shall consult each other with a view to resolving the differences, and the result shall be reported to the other Party for information.

Original (Duplicate/Triplicate)

<p>1. Exporter's Name and Address</p>		<p><i>CERTIFICATE NO.</i></p> <p style="text-align: center;"><u>INDONESIA – MOZAMBIQUE</u> <u>PREFERENTIAL TRADE AGREEMENT (IM-PTA)</u></p> <p style="text-align: center;"><u>CERTIFICATE OF ORIGIN</u> (Combined Declaration and Certificate)</p> <p style="text-align: center;"><u>Form IM</u></p> <p style="text-align: center;">Issued in _____ (Country)</p> <p>See Overleaf Notes</p>			
<p>2. Consignee's Name and Address</p>		<p>5. For Official Use Only</p> <p><input type="checkbox"/> <u>Preferential Treatment Given Under IM-PTA</u></p> <p><input type="checkbox"/> <u>Preferential Treatment Not Given (Please state reasons)</u></p> <p style="text-align: center;">.....</p> <p style="text-align: center;">Signature of Authorized Signatory of the Importing Country</p>			
<p>3. Producer's Name and Address</p>					
<p>4. Means of transport and route (as far as known)</p> <p>Departure Date</p> <p>Vessel /Flight No.</p> <p>Port of Loading</p>					
<p>6. Item number</p>	<p>7. Marks and numbers on packages; Number and kind of packages; description of goods; HS code of the importing Party in six digit</p>	<p>8. Origin Criterion</p>	<p>9. Gross Weight, Quantity and FOB value (if use QVC Criterion)</p>	<p>10. Number and date of invoices</p>	
<p>11. Declaration by the exporter</p> <p>The undersigned hereby declares that the above details and statement are correct; that all the goods were produced in</p> <p style="text-align: center;">..... (Country)</p> <p>and that they comply with the origin requirements specified for these goods in the Rules of Origin under IM-PTA for the goods exported to</p> <p style="text-align: center;">..... (Importing Country)</p> <p style="text-align: center;">.....</p> <p style="text-align: center;">Place and date, signature of authorized signatory</p>		<p>12. Certification</p> <p>It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct.</p> <p style="text-align: center;">.....</p> <p style="text-align: center;">Place and date, signature and stamp of Authorized Issuing Authority/Body</p>			
<p>13.</p> <p><input type="checkbox"/> third party invoice <input type="checkbox"/> Exhibition</p> <p><input type="checkbox"/> Accumulation <input type="checkbox"/> Issued Retroactively</p> <p><input type="checkbox"/> <i>De Minimis</i></p>					

OVERLEAF NOTES

- Box 1:** State the full legal name, address (including country) of the exporter.
- Box 2:** State the full legal name, address (including country) of the consignee.
- Box 3:** State the full legal name, address (including country) of the producer. If more than one producer's good is included in the certificate, list the additional producers, including name, address (including country). If the exporter or the producer wishes the information to be confidential, it is acceptable to state "Available to Customs upon request". If the producer and the exporter are the same, complete box with "SAME".
- Box 4:** Complete the means of transport and route and specify the departure date, transport vehicle No., port of loading and discharge.
- Box 5:** The Customs Authority of the importing Party must indicate in the relevant boxes whether or not preferential treatment is accorded. For multiple items declared in the same Form IM, if preferential treatment is not granted to any of the items, this is also to be indicated accordingly in Box 5.
- Box 6:** State the item number.
- Box 7:** Provide a full description of each good. The description should be sufficiently detailed to enable the products to be identified by the Customs Officers examining them and relate it to the invoice description and to the HS description of the good. Shipping Marks and numbers on the packages, number and kind of package shall also be specified. For each good, identify the correct HS tariff classification, using the HS tariff classification of the country into whose territory the good is imported.
- Box 8:** For exports from one Party to the other Party to be eligible for preferential treatment the exporter must indicate in Box 8 of this form the origin criteria on the basis of which he claims that his goods qualify for preferential treatment, 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 obtained or produced in the country of exportation satisfying Rule 3	"WO"
(b) Goods worked upon but not wholly obtained or produced in the exporting Party satisfying paragraph 1 of Rule 4	The actual Percentage of QVC, example "45%"
(c) Goods satisfying paragraph 2 of Rule 4 (Product Specific Rules) <ul style="list-style-type: none"> • Change in Tariff Classification • Qualifying Value Content • Specific Manufacturing or Processing • Combination Criteria 	"PSR (The actual CTC rule, example "CC" or "CTH" or "CTSH")" "PSR (The actual Percentage of QVC, example "45%")" "PSR (SP)" "PSR (The actual combination criterion, example "CTSH + 35%")"

- Box 9:** Gross weight in Kilos should be shown here. Other units of measurement e.g. volume or number of items which would indicate exact quantities may be used when customary; the FOB value shall be the invoiced value declared by exporter to the issuing authority.
- Box 10:** Invoice number and date of invoices should be shown here.
- Box 11:** This box must be completed, signed and dated by the exporter. Insert the place, date of signature.
- Box 12:** This box must be completed, signed, dated and stamped by the authorized person of the certifying authority. In the case of a certified true copy, the word "CERTIFIED TRUE COPY" should be written or stamped on box 12 of the certificate with the date of issuance of the copy in accordance with Article 10 of Operational Certification Procedures.
- Box 13: THIRD PARTY INVOICE:** In the case where invoices are issued by a third party, the "third party invoice" box should be ticked (✓) and such information as name and country of the company issuing the invoice shall be indicate in box 7. In an exceptional case where the invoice issued by a third party is not available at the time of issuance of the certificate of origin, the invoice number and the date of the invoice issued by the exporter to whom the certificate of origin is issued should be indicated in box 10, and it should be indicated in box 7 that the goods will be subject to another invoice to be issued by a third party for the importation into the importing Party, identifying the full legal name and address of the company or person that will issue another invoice. In such case, the Customs Authority of the importing Party may require the importer to provide the invoices and any other relevant documents which confirm the transaction from the exporting Party to the importing Party, with regard to the goods declared for import.
- ACCUMULATION:** In the case where goods originating in a Party are used in other Party as materials for finished goods, in accordance with Rule 5 of Rules of Origin, the "Accumulation" box should be ticked (✓).
- DE MINIMIS:** if a good that does not undergo the required change in tariff classification does not exceed ten percent (10%) of the FOB value, in accordance with Rule 6 of Rules of Origin, the "De Minimis" box should be ticked (✓).
- EXHIBITION:** In case where goods are sent from the exporting Party for exhibition in other Party and sold during or after the exhibition for importation into importing Party, in accordance with Rule 9 of Rules of Origin, the "Exhibition" box should be ticked (✓) and the name and address of the exhibition indicate in box 2.
- ISSUED RETROACTIVELY:** In exceptional case, due to involuntary errors or omissions or other valid causes, the Certificate of Origin may be issued retroactively, in accordance with paragraph 2 of Article 9 of Operational Certification Procedures, the "Issued Retroactively" box should be ticked (✓)

Attachment B

**PRODUCT SPECIFIC RULES
(To be negotiated subsequently)**