Free Trade Agreement



IMPORTANT NOTICE TO EXPORTERS USING AANZFTA

Indonesia: Acceptance of Wholly Produced or Obtained Criterion

The Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) requires importers to be in possession of a valid Certificate of Origin (COO) stating the applicable origin criteria when making a claim for preferential tariff treatment under the Agreement. Australian exporters can obtain a valid COO from either of Australia's Issuing Bodies, the Australian Chamber of Commerce and Industry or the Australian Industry Group.

Difficulties have been experienced with the acceptance of AANZFTA COOs by Indonesia's Directorate General of Customs and Excise for claims based on the Wholly Produced or Obtained criterion. These problems mean that Indonesian Customs may not agree to apply AANZFTA tariff rates to some exports from Australia. This notice provides advice to assist Australian exporters to avoid these problems.

While Australia considers that the AANZFTA Wholly Produced or Obtained provisions apply to all products (Chapter 3 (Rules of Origin), Article 2.1 (Originating Goods)), Indonesian Customs is disputing the application of Wholly Produced or Obtained provisions to those goods where "WO" is not stated in Annex 2 (Product Specific Rules).

Goods that state "WO" in Annex 2 (Product Specific Rules) have not been affected.

The Australian Government is pursuing this issue as a matter of high importance, consistent with seeking to ensure that AANZFTA implementation is effective and facilitates trade.

Until such time as this issue is resolved, Australian exporters may wish to consider making use of alternative origin criteria to avoid continuing rejection of COOs. Every product that meets the 'WO' criterion should be able to demonstrate that they meet alternative origin criteria as set out in Chapter 3 (Rules of Origin), Article 4 (Goods Not Wholly Produced or Obtained).

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Australian Government

Department of Foreign Affairs and Trade

This issue is only being experienced with exports to Indonesia. Exports to other AANZFTA Parties are not affected.

Information on AANZFTA origin criteria can be found in *Making Use of AANZFTA to Export and Import Goods*.

Enquiries can also be directed to DFAT at: asean.fta@dfat.gov.au.

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