



Australian Government

# **Australia-India Economic Cooperation and Trade Agreement**

Guide to using ECTA  
to export and import goods



ECTA





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- Australian Border Force
- Australian Chamber of Commerce and Industry
- Australian Industry Group
- Ozdocs

### **Disclaimer**

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The benefits of the Australia-India Economic Cooperation and Trade Agreement (ECTA) will begin to flow to Australian businesses and consumers on 29 December 2022. ECTA is a stepping stone towards a full Australia-India Comprehensive Economic Cooperation Agreement (CECA) and will secure Australia's foothold in the world's fastest growing major economy. ECTA will enable Australian businesses to benefit through tariff elimination or reduction on a wide range of Australian goods exports in demand in India. This guide explains the process of obtaining preferential tariffs under ECTA.

From 29 December 2022, 85 per cent of Australian goods exports by value to India will be tariff free, rising to 90 per cent in 6 years. In addition, high tariffs will be substantially reduced on some agricultural products.

From 29 December 2022, 96 per cent of Australian imports from India will be permitted to enter Australia duty free, rising to 100 per cent in 4 years.

This step-by-step guide seeks to assist Australian exporters and importers to take advantage of preferential tariff treatment under ECTA.

This guide will help you answer the following questions:

**What goods am I exporting/importing?**

- Identify the harmonised system code for a good.

**How are these goods treated under ECTA?**

- Identify the preferential tariff for a good.
- Most eligible goods will benefit from a preferential or lower tariff rate under ECTA.

**Are my goods eligible?**

- Only goods that originate in Australia or India are eligible for preferential tariff treatment under ECTA.
- Specific rules to determine eligibility prevent parties from other countries gaining the benefit of ECTA by simply transshipping their goods through Australia or India.

**My goods qualify for preferential treatment under ECTA. How do I ensure I get lower tariff rates?**

- Claims for preferential treatment under ECTA must be accompanied by appropriate documentation, including a Certificate of Origin.

**Four steps to using ECTA to export or import goods:**

**Step 1: WHAT** goods am I exporting or importing?

- ▶ Tariff classification see page 3

**Step 2: UNDERSTAND** how your goods are treated under ECTA

- ▶ Tariff treatment see page 4

**Step 3: WHERE** are my goods produced?

- ▶ Rules of origin see page 7

**Step 4: OBTAIN** a certification for your goods

- ▶ Certificate of origin see page 16

## Step 1: Identify the tariff classification of your goods

In ECTA, goods are identified by reference to an internationally recognised system known as the Harmonized Commodity Description and Coding System, commonly referred to as the Harmonized System or HS.

The HS is a broad classification system of more than 5000 six-digit product categories. Typically, each country further subdivides the six-digit HS product categories into eight digit or more tariff lines for greater specificity. Tariff codes beyond the HS six-digit level are generally not comparable between countries.

### Classification

Determining how ECTA treats a particular good depends on correctly identifying that good. There are multiple ways to find out the HS code applicable to a good:

1. Use the [FTA Portal](#), DFAT's online tool [ftaportal.dfat.gov.au](#). To find the HS code applicable to your good, type in the product and choose the eight-digit HS code that matches the description of the good.

Alternatively, you can manually check the full ECTA Schedules of Tariff Commitments which are available on the DFAT website:

[dfat.gov.au/trade/agreements/negotiations/aifta/australia-india-ecta-official-text/annex-2a-tariff-commitments-section-2a-tariff-schedule-australia](https://dfat.gov.au/trade/agreements/negotiations/aifta/australia-india-ecta-official-text/annex-2a-tariff-commitments-section-2a-tariff-schedule-australia)

[dfat.gov.au/trade/agreements/negotiations/aifta/australia-india-ecta-official-text/annex-2a-tariff-commitments-section-2a-tariff-schedule-india](https://dfat.gov.au/trade/agreements/negotiations/aifta/australia-india-ecta-official-text/annex-2a-tariff-commitments-section-2a-tariff-schedule-india)

2. To be certain you have identified the correct tariff code for export or import, we recommend you consult the customs authority of the importing country:

- for exports to India, use the Central Board of Indirect Taxes & Customs Tariff Database to search for the product by name: [cbic.gov.in](#).
- for imports to Australia, use the working tariff provided by Australian Border Force (ABF) which lists all tariff classifications under Schedule 3 of the *Customs Tariff Act 1995*: [abf.gov.au/importing-exporting-and-manufacturing/tariff-classification](#)

## Advance Rulings

If in doubt you can seek an advance ruling from the importing customs administration. An advance ruling is a written ruling on a HS code of a good. Your importer or customs broker may be able to assist you with this process.

### Exporters

Australian exporters may seek formal advice from the Central Board of Indirect Taxes and Customs of India on the tariff classification of the goods intended for export to India. An application form for an advance ruling is available on India's Customs website.

### Importers

If you are importing goods into Australia and would like an advance ruling on a classification of a good, contact the ABF or a customs broker. See:

For Advance Ruling (Tariff Classification):  
[abf.gov.au/form-listing/forms/b102.pdf](https://abf.gov.au/form-listing/forms/b102.pdf)

Application for Advance Ruling (Origin):  
[abf.gov.au/form-listing/forms/b659.pdf](https://abf.gov.au/form-listing/forms/b659.pdf)

Application for Advance Ruling (Valuation):  
[abf.gov.au/form-listing/forms/b174.pdf](https://abf.gov.au/form-listing/forms/b174.pdf)

### Advance rulings

Under ECTA, Australia and India must provide written advance rulings on:

- ▶ HS code,
- ▶ valuation method,
- ▶ origin

in response to requests by importers, exporters or producers in the exporting country.

Advance rulings can cover the applicable HS code, the method the relevant customs authority will use to assess the value of goods, or whether the goods are considered 'originating' for the purposes of ECTA (see Step 3).

## Step 2: Understand how your goods will be treated under ECTA

Once you know the HS code, you can determine how your goods will be treated under ECTA. India and Australia have set out their commitments in tariff schedules based on the HS.

The tariff schedules contain thousands of tariff lines showing the base duty rate to which reductions apply.

A column indicates the tariff staging category, which is the number of years in which the duty will be eliminated or reduced.

India's tariff schedule also lists whether the tariff is eliminated or reduced or if another condition applies, such as a quota. Another column provides details of any further conditions that apply.

The [FTA Portal](#) makes searching tariff rates quick and easy. Alternatively, you can manually check the tariff schedules found in Chapter 2 (Trade in Goods) Annex 2A (Tariff Commitments).

### Exporters

If you are exporting to India, you will need to check India's tariff schedule. India's tariff elimination staging categories range from 'EIF', indicating immediate elimination on entry into force of ECTA, to '10', coupled with 'E', indicating elimination of the tariff over 10 equal annual stages, beginning on the date of ECTA's entry into force.

The categories 'R' and 'C' relate to tariffs that will not be fully eliminated but will be reduced ('R') and to tariff elimination or reduction outcomes subject to other conditions ('C'). Details of these categories are outlined in Chapter 2, Annex 2A, Section 2A (Tariff Schedule of India) refer to page 3.

India's staging category 'T' allows a certain volume of some goods to be imported duty free or at a tariff rate lower than would otherwise apply, referred to as a Tariff Rate Quote or TRQ.

For example, under ECTA 13,700 tonnes of certain varieties of oranges will receive half the normal tariff rate (Most Favoured Nation or MFN) applied on the day of import, each year.

When this quantity is exceeded, the rate will revert to the full duty rate until the next calendar year begins and the quota restarts at zero again. Tariffs that will not be eliminated or reduced, and remain at the base rate, are denoted by category 'EL'.

To access a TRQ, exporters will need a TRQ certificate. Under ECTA, Australia will issue TRQ certificates to exporters or producers and share them with Indian Customs authorities. The importer in India will lodge a request letter, along with the reference for the certificate, to Indian Customs authorities. The authorities will in turn issue a No Objection Certificate to the Indian importer for each TRQ certificate received from Australia.

TRQ certificates are issued by Australia's Department of Agriculture, Fisheries and Forestry available on its website: [agriculture.gov.au/biosecurity-trade/export/from-australia/quota](https://agriculture.gov.au/biosecurity-trade/export/from-australia/quota)

### Importers

If you are importing from India, you will need to check Australia's tariff schedule. Australia's tariff schedule has two staging categories: 'A', indicating immediate elimination on entry into force and 'B5', indicating elimination of the base duty rate over 5 equal annual instalments. Goods subject to staging category B5 receive the first annual reduction on entry into force and become tariff free from 1 January of year 5, 2026.

### WHAT YEAR HAS ECTA REACHED NOW?

Date commencing	Year of ECTA's operation
29 December 2022	1
1 Jan 2023	2
1 Jan 2024	3
1 Jan 2025	4
1 Jan 2026	5
1 Jan 2027	6
1 Jan 2028	7
1 Jan 2029	8
1 Jan 2030	9
1 Jan 2031	10

## Reading India's Tariff Schedule

HS Code	Description	Customs Rate + AIDC	Years	Duty E, R, T, C or EL
0190110	Infant Formula	50	7	E
052010020	Cotton	10	TRQ	T+E

Each HS code tariff line contains the following details:

a customs rate and a Agriculture Infrastructure and Development Cess (AIDC) rate, which are added together to give the base duty rate or tariff;

a column indicating the number of years in which the duty will be eliminated or reduced, if applicable; and

two final columns providing more detail on the treatment or any conditions that apply.

### Tariff table on Australian infant formula

<b>2022 (entry into force)</b>	<b>50%</b>
<b>1 Jan 2023</b>	<b>42.9%</b>
<b>1 Jan 2024</b>	<b>35.7%</b>
<b>1 Jan 2025</b>	<b>28.6%</b>
<b>1 Jan 2026</b>	<b>21.4%</b>
<b>1 Jan 2027</b>	<b>14.3%</b>
<b>1 Jan 2028</b>	<b>7.1%</b>
<b>1 Jan 2029</b>	<b>0%</b>

For infant formula, India's base tariff of 50 per cent, which is the combined customs effective rate and AIDC, will be eliminated (E) over 7 equal annual instalments. See tariff table above.

For cotton, India's tariff of 10 per cent will be eliminated for exports under an annual TRQ on entry into force. The annual TRQ is set at 300,000 bales (1 bale is equivalent to 170 kg as defined in India) for cotton of a minimum length of 28mm, which is equivalent to 51,000 tonnes.

The customs rate plus AIDC is the tariff that applied at the time the agreement was negotiated and is the base rate for tariff reductions under ECTA. Separate to ECTA, India and Australia are also able to reduce tariffs unilaterally at any time in line with Chapter 2 Article 2.3 (Elimination or Reduction of Customs Duties).

India or Australia may do this by amending their schedule of tariff commitments, or by applying a lower MFN tariff than the rate set out in the ECTA tariff schedule. For example, a country might temporarily reduce a tariff for a good in short supply.





Bangalore city skyline



### Step 3: Determine whether your goods meet the rules of origin

Rules of Origin (ROO) are agreed criteria used to determine the originating status of a good and its eligibility for preferential treatment under a free trade agreement.

Only goods that meet the ECTA origin criteria receive ECTA's preferential rate of customs duty set out in the tariff schedule. This prevents other countries from gaining preferential tariffs under ECTA.

Imports into Australia or India that do not comply with the ROO as set out in Chapter 4 (Rules of Origin) and Annex 4-B (Product Specific Rules of Origin) may be subject to the MFN duty rate instead of the preferential rates available under ECTA. The rules of origin chapter can be found at [dfat.gov.au/trade/agreements/negotiations/aifta/australia-india-ecta-official-text/chapter-4-rules-origin](https://dfat.gov.au/trade/agreements/negotiations/aifta/australia-india-ecta-official-text/chapter-4-rules-origin).

#### What is an originating good?

A good will qualify as originating under ECTA if it is:

- wholly obtained or produced entirely in India or Australia (or both);
- produced entirely in India or Australia (or both), from materials classified as originating under the ROO; or
- manufactured in India or Australia (or both) using inputs from other countries and meets the Product Specific Rule (PSR) applicable to that good.

#### What are non-originating goods?

Non-originating goods under ECTA are those:

- imported from a country other than Australia or India;
- produced in Australia or India, but do not meet the ROO under ECTA; or
- for which origin cannot be determined.

#### Wholly obtained goods

Wholly obtained goods are typically agricultural goods and natural resources. Box 1 on page 14 sets out the categories of goods which ECTA treats as wholly obtained. ECTA also treats goods that are made exclusively from wholly obtained goods as being wholly obtained. See Chapter 4 (Rules of Origin) Article 4.4 (j).

#### Goods containing inputs from outside India or Australia

Goods made from inputs sourced from outside India or Australia may still qualify as originating if they have undergone a substantial transformation in India or Australia (or both).

#### Understanding product specific rules

Goods that include some non-ECTA originating materials may still qualify as originating, if the non-originating materials have undergone a substantial transformation in Australia or India.

Product Specific Rules (PSRs) set out in Chapter 4 (Rules of Origin) Annex 4-B: Product Specific Rules of Origin, provide rules by which Indian and Australian customs authorities will determine whether a good has undergone a substantial transformation to become an originating good.

If your good contains inputs from outside Australia or India, you will need to check the applicable PSR to determine whether your good qualifies as originating.

The PSR methods used to measure substantial transformation under ECTA are:

- Change in Tariff Classification (CTC);
- Qualifying Value Content (QVC); or
- Product specific process rules.

If your good is not listed in Annex 4-B: Product Specific Rules of Origin, a general rule applies as outlined in Chapter 4 (Rules of Origin) Article 4.3 (Goods not Wholly Produced or Obtained).

The general rule is that a good shall be considered originating if;

- all non-originating materials have undergone at least a change in tariff sub-heading (CTSH) level of the HS; and
- the qualifying value content (QVC) of the good is not less than 35 per cent of the free on board (FOB) value as per build-up formula or;
- 45 per cent of the FOB value calculated as per build-down formula under Chapter 4 (Rules of Origin) Article 4.6 (Calculation of Qualifying Value Content);

provided that the final production process of the good is performed within Australia or India.

### Change in tariff classification

Most PSRs in ECTA apply a change in tariff classification (CTC) approach. The CTC rule requires that any non-originating inputs or materials that are incorporated into the final good undergo a specific change in tariff classification (HS code) in Australia or India.

This CTC rule ensures that substantial transformation has occurred so that imported goods from other countries do not receive preferential access.

Pure unworked glass (HS 7002.20) has a different classification to spectacles (HS 7015.10).

In the process of being incorporated into spectacles, the tariff classification of unworked glass changes.

This means that spectacles manufactured in Australia or India from imported glass would count as originating regardless of where the glass came from.

Different products may be subject to different CTC rules. There are three levels of CTC rule which could apply:

**Change in Chapter (CC)** – change in any of the first two digits (or chapter) of the HS code of non-originating materials once they are part of the finished product.

- Such as importing oranges (HS 0805.10) and juicing them to create orange juice (HS 2009.19).

**Change in tariff heading (CTH)** – change in any of the first four digits of the HS code of non-originating materials once part of the finished product.

- Such as unworked glass (HS 7002.20) to spectacles (HS 7015.10).

**Change in tariff subheading (CTSH)** – change in any of the six digits of the HS code of non-originating materials once part of the finished product.

- Such as importing roasted coffee (HS 090121) and decaffeinating it to produce decaffeinated coffee (HS 0901.22).

### Qualifying value content

A CTC is not the only way to identify a substantial transformation. Some PSRs require a product to have undergone a specific amount of value-add in India or Australia, measured by the qualifying value content (QVC) of the good.

A QVC approach stipulates that processing and manufacturing of a good must represent a specific proportion of the final value. More information about calculating QVC is provided on page 15.

Some PSRs provide a QVC rule as an alternative to a CTC rule, others require a QVC in addition to a CTC Rule.

### Product specific process rules

Some PSRs allow for a good to become originating if the non-originating materials undergo a specific manufacturing or production process that fundamentally changes the nature of the input materials. ECTA includes a 'melt and pour' PSR requirement for some goods. This means that the product must have been melted and poured in India or Australia (or both).

See Chapter 4 (Rules of Origin) Annex 4-B Section A for more details on requirements.

The [ETA Portal](#) will also assist in identifying ROO requirements.

## Understanding other rules in Chapter 4 (Rules of Origin)

### De minimis (Art.4.8)

Where a good fails to meet the PSR requirements, it may still be considered originating if the non-originating materials make up only a small amount of the total material inputs.

If the value of all non-originating materials does not exceed 10 per cent of the value of the good, the product will qualify under the *de minimis* rule.

For goods classified in chapters 50 through 63 of the HS, the product will qualify under the *de minimis* rule if the total weight of all non-originating materials does not exceed 10 per cent of the total weight of the good.

### Accumulation (Art. 4.5)

The rule of accumulation provides that goods which are originating in one country are considered

originating in the other for the purposes of ECTA. Thus, if Australian originating goods were incorporated into a product made in India, that input would be treated as if it originated in India.

### Fungible goods and materials (Art. 4.13)

Fungible goods are those which are identical or interchangeable because they are of the same kind of commercial quality, possess the same technical and physical characteristics, and, once mixed, cannot be readily distinguished. Examples include natural gas, grain, or simple parts such as rivets. Specific accounting rules apply to exporters wishing to demonstrate that fungible goods are originating under ECTA.

### Indirect materials (Art. 4.1)

Materials which are used in the production of a good, but are not physically part of it, are considered to be originating without regard to the location of production.

## HOW TO FIND THE PSR APPLICABLE TO YOUR PRODUCT

Tariff Heading and sub-heading	Description	Agreed PSR
0304.61	Frozen fish fillets	CC
0710.90	Frozen mixed vegetables	CC or QVC(40)
7229.20	Wire of alloy steel	Melt and pour in the Parties

PSRs are listed at the HS six-digit level. Using the first six digits of the relevant country-specific tariff code, identify the relevant entry in the PSR list. Once you have found the relevant entry, the third column will identify the PSR for that product, for example:

**Non-originating inputs into frozen fish fillets must undergo a change in chapter (CC) which is a change in the first two digits of the HS code in order to be considered to be originating under ECTA.**

**Frozen mixed vegetables must either have all non-originating materials used in production undergo a change in the tariff classification at the 2-digit level (CC) or be made with an QVC of at least 40 per cent.**

**Wire of alloy steel must have been melted and poured in either India or Australia (or both), wherein the raw material is first produced in an iron or steel-making furnace in a liquid state, and then poured into its first solid shape.**

If your good is not listed in Chapter 4 Annex 4-B: Product Specific Rules of Origin, a general rule applies as outlined in Chapter 4 Article 4.3 (Goods not Wholly Produced or Obtained).

Further information can be found in the headnotes to Chapter 4 (Rules of Origin) Annex 4-B or by contacting your customs broker.



### Minimal operations (Art. 4.7)

Goods will not qualify as originating if they have only undergone a simple process such as packaging, simple grinding or washing. A full list of processes that will not confer origin is in Chapter 4 (Rules of Origin) Art. 4.7.

### Accessories, spare parts and tools (Art. 4.11)

The origin of accessories, spare parts, tools and instructional materials is not taken into account when determining if a good is wholly obtained or satisfies a process requirement or CTC, provided they are customarily supplied with those finished goods and are not invoiced separately.

The value of accessories, spare parts, tools and instructional materials is considered, however, in assessing a good for the purposes of a QVC rule. See page 8 and box 3 on page 15.

### Packaging materials, containers and packing (Art. 4.9)

Packing materials and containers for shipping and transport (not retail packaging) can be disregarded when determining whether the good can meet a PSR. However, retail packaging materials must be taken into account when determining origin if the good is subject to a QVC rule.

Wine bottled in non-originating bottles for retail could not be considered wholly obtained, due to the non-originating bottles.

The bottles would not be considered in assessing whether the wine complies with the relevant PSR.

However, retail packaging materials are considered in assessing the value of non-originating materials in a good for the purposes of an QVC rule, where one applies.

### Transit through a third country (Art. 4.14)

ECTA is designed to reflect modern trading practices, including the use of transport and distribution hubs for the consignments of goods. Goods that are transshipped through a third country will not lose their originating status, so long as they do not undergo any operation other than storing, repacking, relabeling, splitting up for transport reasons or any operation necessary to preserve the goods in good condition to be transported to India or Australia.

Goods shipped through a third country must remain under customs control, or they will lose their originating status.



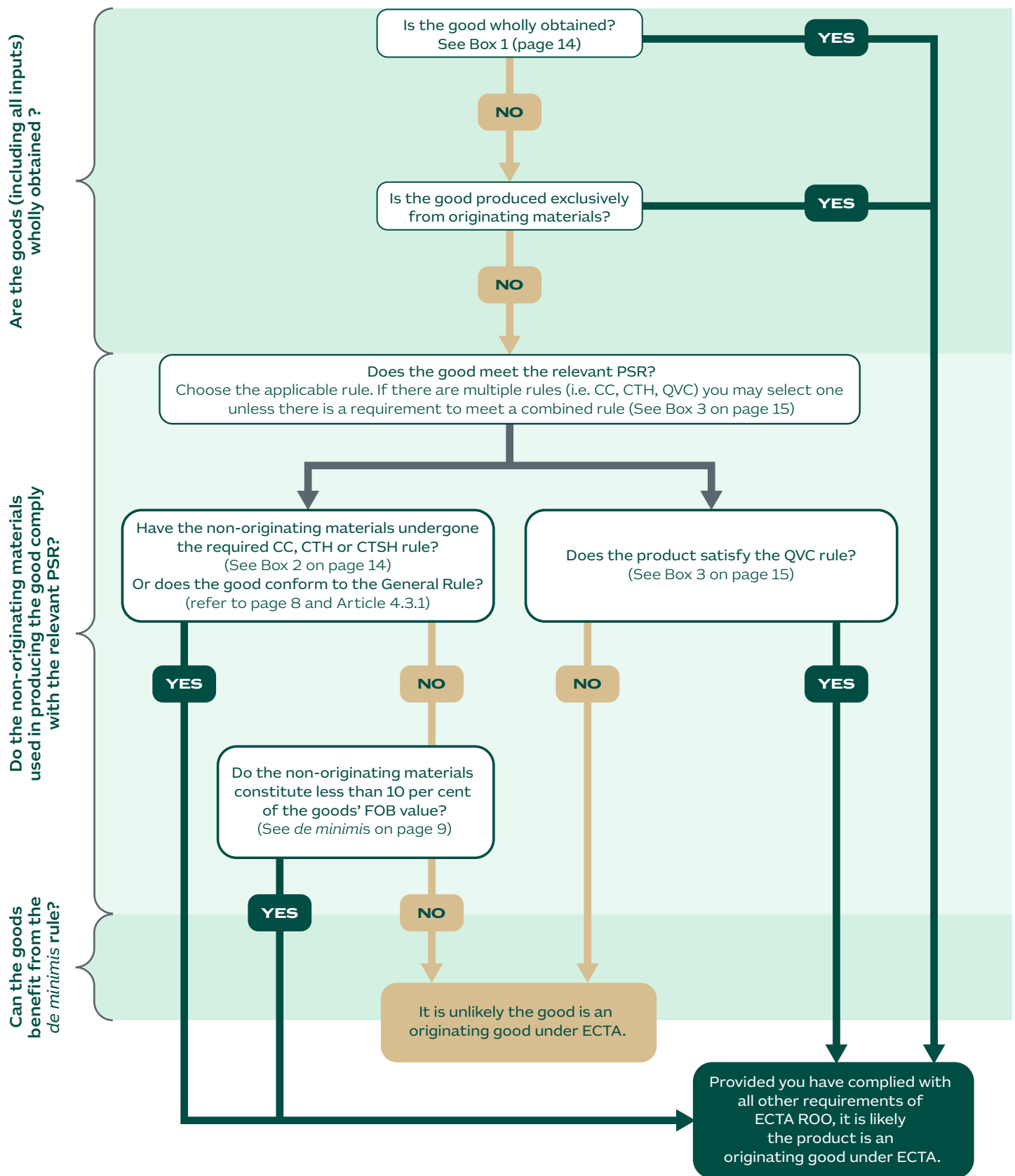








# Using Rules of Origin under ECTA



# Using Rules of Origin under ECTA

## 1 Is the good wholly obtained or produced?

Wholly obtained or produced goods from the territory of one or both of the parties (see Chapter 4 Article 4.3 (Goods not Wholly Produced or Obtained):

- ▶ mineral goods and other natural resources extracted;
- ▶ flowers, fruit, vegetables, trees, seaweed, fungi, algae and live plants grown and harvested, picked or gathered;
- ▶ live animals born and raised in the territory;
- ▶ goods obtained from live animals born and raised in the territory;
- ▶ goods obtained from hunting, trapping, gathering, capturing, aquaculture or fishing conducted within land territory, internal waters and territorial sea;
- ▶ fish, shellfish, and other marine life extracted or taken from the sea, seabed or subsoil beyond the outer limits of the territories of each Party and, in accordance with international law, outside the territorial sea of non-parties by vessels that are registered, listed or recorded with a Party and entitled to fly the flag of that Party;
- ▶ goods produced on board an Indian or Australian-flagged factory ship from the fish, shellfish or other marine life extracted from the sea as referred to above;
- ▶ goods, other than fish, shellfish and other marine life, taken or extracted from the seabed or subsoil beneath the seabed outside the territorial sea of Australia or India, provided that Australia or India has rights to exploit such resources in accordance with relevant international law;
- ▶ waste and scrap derived from production in the territory;
- ▶ waste and scrap derived from used goods collected in the territory, provided that such goods are fit only for the recovery of raw materials; or
- ▶ goods collected from the territory which can no longer perform their original purpose and are fit only for the recovery of raw materials.

## 2 Does the good meet the relevant Change in Tariff Classification Rule?

- ▶ WO – is the good wholly obtained or produced in the territory of one or both Parties within the meaning of Chapter 4 Article 4.4 (Wholly Obtained or Produced Goods)?
- ▶ CC – do the non-originating inputs that went into the product now come under a different chapter as part of the finished product (change in any of the first two digits of the tariff classification)?
- ▶ CTH – do the non-originating inputs that went into the good now come under a different tariff heading as part of the finished product (change in any of the first four digits of the tariff classification)?
- ▶ CTSH – do the non-originating inputs that went into the product now come under a different tariff subheading as part of the finished product (change in any of the six digits of the tariff classification)?
- ▶ Melt and pour – was the product melted and poured in one or both of the Parties, wherein the raw material is first produced in an iron or steel-making furnace in a liquid state, and then poured into its first solid shape?
- ▶ De minimis – Where a good fails to meet the PSR requirements, goods may still qualify as originating if the value of the non-originating materials doesn't exceed 10 per cent of the FOB value of the final good. HS code chapters 50 – 63 are exempt from the *de minimis* rule.

### 3 Does the good comply with the Qualifying Value Content rules?

The QVC percentage of a good can be assessed using either the build-up or build-down method.

- ▶ QVC – does the good have a qualifying value content as calculated under Chapter 4 Article 4.6 (Calculation of Qualifying Value Content – Rules of Origin) of not less than the percentage indicated in the PSR whether using the build-up method or build-down method?

The value of goods are worked out in accordance with the WTO Customs Valuation Agreement. Generally speaking, the value is the purchase price of the good plus any transaction costs like brokerage, packaging etc). Consult your customs broker if you think there may be an issue in identifying the value of your goods.

- ▶ VNM – is the value of non-originating materials used in the production of the good.
- ▶ VOM – is the value of originating materials used in the production of the good

Annex 1 on page 18 contains examples of how to use the formulas.





## Step 4: Work with an issuer to prepare a certificate of origin for your goods

Once you have gone through the first three steps and determined that your goods will qualify for preferential tariff treatment under ECTA, you will need to complete the appropriate documentation to demonstrate this, should you be asked to by the importing customs authority. This is done primarily by using a Certificate of Origin (COO) issued by ACCI, Ai Group or Ozdocs.

COOs must, as a minimum, include information set out in Chapter 4 (Rules of Origin) Art. 4.15 and Annex 4A (Minimum Information Requirements).

This annex also acts as a template COO, reproduced at the end of this guide on page 19. Issuers can ask for additional information to assist them to make the decision about your goods.

COOs can apply to a single shipment, or multiple importations of goods of the same description that occur while the COO remains valid. COOs remain valid for 12 months from the date of completion or issuance.

Exporters or producers must maintain all records necessary to demonstrate origin for 5 years after signing a COO. Chapter 4 (Rules of Origin) Art. 4.21 provides further detail on record keeping requirements.

### Waiver of certificate of origin

A COO will not always be required. For certain goods, Australia or India may have waived the requirement altogether. You should check with the relevant importing customs for up-to-date information.

## Verification

Customs authorities may occasionally need to verify the information contained in a COO. Verification activities may involve:

- requests for information from the authorised body (ACCI, Ai Group or Ozdocs), the importer, the exporter, or the producer;

- requests for information from the exporting customs administration; or

- a request to undertake a verification visit to the premises or factory of the exporter or producer.

Where information is requested, an importer, exporter, producer or authorised body has 30 days to respond. When a visit is requested, an exporter or producer should provide written consent within 30 days from the receipt of notification. The approach followed for such processes is outlined in Chapter 4 (Rules of Origin) Art. 4.26 (Procedure for Verification).

## Appeal procedures

If you are unhappy with a decision made by a customs administration in seeking preferential treatment under ECTA, you may be entitled to appeal that decision under Chapter 5 (Customs Procedures and Trade Facilitation) Art. 5.11 (Review and Appeal). You should consult your customs broker and legal adviser if you wish to pursue an appeal.

## Contacts for further information

### Australia

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#### Department of Foreign Affairs and Trade

For general inquiries concerning ECTA

Phone: 02 6261 1111

Email: [IndiaETA@dfat.gov.au](mailto:IndiaETA@dfat.gov.au)

Web: [dfat.gov.au/ceca](http://dfat.gov.au/ceca)

#### Australian Border Force

For all customs matters, advance rulings, queries about tariff classification, ROOs and COOs

Email: [origin@abf.gov.au](mailto:origin@abf.gov.au)

Web: [abf.gov.au/importing-exporting-and-manufacturing/free-trade-agreements](http://abf.gov.au/importing-exporting-and-manufacturing/free-trade-agreements)

#### Australian Trade and Investment Commission

For general inquiries regarding exports to India

Phone: 13 28 78

Email: [india@austrade.gov.au](mailto:india@austrade.gov.au)

Web: [austrade.gov.au/australian/export/free-trade-agreements/aiecta](http://austrade.gov.au/australian/export/free-trade-agreements/aiecta)

#### Australian Chamber of Commerce and Industry

For queries regarding COOs

Phone: 02 6270 8000

Email: [info@accicom.au](mailto:info@accicom.au)

Web: [accicom.au](http://accicom.au)

#### Australian Industry Group

For queries regarding COOs

Phone: 1300 776 063

Email: [trade.docs@aigroup.com.au](mailto:trade.docs@aigroup.com.au)

Web: [aigroup.com.au/contact](http://aigroup.com.au/contact) (for your nearest office in Australia)

#### Ozdocs

For queries regarding COOs

Phone: 02 9899 2000

Email: [info@ozdocs.com.au](mailto:info@ozdocs.com.au)

Web: [ozdocs.com.au](http://ozdocs.com.au)

### India

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#### Indian Central Board of Indirect Taxes and Customs

Web: [cbic.gov.in](http://cbic.gov.in)

#### Indian Department of Commerce

Web: [commerce.gov.in](http://commerce.gov.in)

# Annex 1: Example of QVC calculations

## (ECTA Chapter 4 Article 4.6 Calculation of Qualifying Value Content)

Inputs	Country of Origin	Value AUD \$
Material 1	China	\$6.00
Material 2	Australia	\$5.00
Material 3	USA	\$1.00
Material 4	India	\$1.00
Direct Expenses/Overheads	Australia	\$2.00 (X)
Profit	N/A	\$3.00 (Y)
FOB Value	N/A	\$18.00

### QVC calculation - Build-Down Formula

An Australian producer sells a good to an Indian importer for \$18.00. The value of non-originating materials used in the good is \$7.00. Using the build-down method, the producer calculates the QVC as follows:

$$\text{QVC} = \frac{\text{FOB Value} - (\text{Non-Originating Material 1} + \text{Material 3})}{\text{FOB Value}} \times 100$$

$$\begin{aligned} \text{QVC} &= \frac{\$18.00 - (\$6.00 + \$1.00)}{\$18.00} \times 100 \\ &= 61.1\% \end{aligned}$$

### QVC calculation - Build-Up Formula

An Australian producer sells a good to an Indian importer for \$18.00. The value of originating materials used in the good is \$6.00. Using the build-up method, the producer calculates the QVC as follows:

$$\text{QVC} = \frac{(\text{Value of Originating Material 2} + \text{Material 4})}{\text{FOB Value}} \times 100$$

$$\begin{aligned} \text{QVC} &= \frac{(\$6.00)}{\$18.00} \times 100 \\ &= 33.3\% \end{aligned}$$

Note: Refer Article 4.6 Item 5 & 6 for “*direct expenses/overheads*” used in the calculation. Therefore, using the build-up method, the QVC of the good is calculated as 33.3%



## Annex 2: Sample Certificate of Origin

(ECTA Chapter 4 Annex 4A: Minimum information requirements)

1. Exporter's Name, Address, and Country:	Certification No.	Number of pages	
2. Producer's Name, Address, and Country:	INDIA-AUSTRALIA ECONOMIC COOPERATION AND TRADE AGREEMENT  CERTIFICATE OF ORIGIN		
3. Importer or Consignee's Name, Address, and Country:			
4. Transport details:			
5. Item number (as necessary); Marks and numbers; Number and kind of packages; Description of good(s); HS Code (six-digit level)	6. ORIGIN criterion (see overleaf note)  <input type="checkbox"/> Cumulation (if applicable)	7. Gross Weight or other Quantity	8. Invoice number(s) and date(s)
9. Remarks: (if applicable)  <input type="checkbox"/> ISSUED RETROSPECTIVELY	10. Non-Party Invoicing Name, Address, and Country (if applicable)		
11. Declaration by the exporter:  I, the undersigned, declare that: - the above details and statement are true and accurate; - the good(s) described above meet the condition(s) required for the issuance of this certificate; and - the country of origin of the good(s) described above is:  Place and Date:  Signature:  Name (printed):  Company:	12. Certification  It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct.  Export Document Number:  Issuing Authority:  [Stamp]  Place and Date:  Signature:		



**Australian Government**