

**Rules of Origin and Related Implementation
Procedures on Goods Eligible for Special
Preference Treatment**

Section I: Rules of Origin

Article 1 In accordance with the Official Exchange Letters (hereinafter referred to as “Exchange Letters”) exchanged between the government of the People’s Republic of China (hereinafter referred to as “China”) and the government of the Beneficiary Country on Special Preference Treatment for the goods exported from the Beneficiary Country, these rules shall be applied in determining the origin of the goods claimed for Special Preference Treatment.

Article 2 For the purpose of these rules,
“Beneficiary Country” means the country or region with which China has signed the Exchange Letters under the Special Preference Treatment.

“Originating goods” or “Originating Materials” means goods or materials which qualify as originating in accordance with the provisions of the rules of origin in this regulation.

“Non-Originating goods” or “Non-Originating Materials” means goods or materials which do not qualify as originating in accordance with the provisions of the rules of origin in this regulation, including materials of undetermined origin.

“Material” means any ingredient, part, component, subassembly and/or good that were physically incorporated into another good or were subject to the production of another good;

“Production” means methods of obtaining goods, including growing, raising, extracting, picking, collecting, mining, harvesting, fishing, trapping, hunting, manufacturing, processing or assembling of goods.

“Customs Valuation Agreement” means the Agreement on the Implementation of Article VII of the General Agreement on Tariffs and Trade 1994, which is part of the Marrakesh Agreement Establishing the World Trade Organization.

“Harmonized System (HS)” means the Harmonized Commodity Description and Coding System of the World Customs Organization.

“Heading” means the headings (four-digit codes) used in the nomenclature of the Harmonized System.

“Ports of entry in China” means ports where Customs Law of China is applicable to, i.e. excluding those located in Special Administrative Regions of Hong Kong and Macao and Taiwan area.

Article 3 The following goods shall be considered as originating in a

beneficiary country:

- (a) goods wholly obtained or produced in a beneficiary country; or
- (b) goods produced in a beneficiary country exclusively from originating materials compliant with rules in this regulation ;or
- (c) goods produced from non-originating materials in a beneficiary country, provided that substantial transformation was performed in that country.

Article 4 For the purpose of subparagraph (a) of Article 3 in this regulation, the following goods shall be considered as wholly obtained or produced entirely in a beneficiary country:

- (a) live animals born and raised in a beneficiary country;
- (b) goods obtained in a beneficiary country from the animals specified in sub-paragraph (a) above;
- (c) plants and plant products harvested, picked or collected in a beneficiary country;
- (d) goods obtained by hunting, aquaculture, trapping or fishing in a beneficiary country;
- (e) fish, shellfish and other marine life taken from the high seas by vessels registered or recorded in a beneficiary country and entitled to fly the flag of that country ;
- (f) goods obtained from the processing of goods listed in sub-paragraph (e) above on board factory ships registered or recorded in a beneficiary country and entitled to fly the flag of that country;

(g) minerals and other naturally occurring substances extracted in the beneficiary country or goods, exclusive of fish, shellfish and other marine life, taken or extracted from the waters, seabed or subsoil beneath the seabed outside the territorial waters of a beneficiary country, provided that the beneficiary country has the right to exploit such waters, seabed or subsoil beneath the seabed.

(h) used goods collected in a beneficiary country which are consumed in that country and fit only for the recovery of raw materials;

(i) waste and scrap derived from processing or manufacturing operations in a beneficiary country and fit only for the recovery of raw materials;

(j) goods obtained through processing in a beneficiary country exclusively from goods referred to in sub-paragraphs (a) to (i) above.

Article 5 The determining criteria for “substantial transformation” under subparagraph (c) of Article 3 in this regulation shall be “Regional Value Content” (RVC) or “Change in Tariff Classification” (CTC). Whereas the goods listed in the “Product Specific Rules” (PSR) are not subject to the said criteria. The PSR is to be otherwise promulgated after the negotiation between the General Administration of Customs of China and the delegates of the group of the least developed countries.

The criterion of RVC means that the regional value content of goods, expressed as a percentage, is no less than 40%.

The Regional Value Content shall be calculated as follows:

$$RVC = \frac{V - VNM}{V} \times 100\%$$

where:

V is the transaction value of the goods adjusted on a F.O.B. basis in accordance to Customs Valuation Agreement.

VNM is the value of the non-originating materials. VNM shall be the cost of importation, the freight and insurance for transportation to the destination port or place, including the value of materials of undetermined origin. When the producer of goods acquires non-originating materials in the territory of the beneficiary country, the transaction value of such materials, in accordance with Customs Valuation Agreement, shall not include freight, insurance, packing costs and any other costs incurred in transporting the materials from the supplier's warehouse to the producer's location.

The criterion of Change in Tariff Classification means that the heading of all non-originating materials used in the production or manufacture of goods in the territory of beneficiary country is different from that of the goods.

Article 6 Goods or materials originating in China used in the

production of another good in a beneficiary country shall be considered as originating goods or materials of that beneficiary country.

When a beneficiary country is a member state of a regional group, originating materials of any other beneficiary countries of the regional group used in the production of another good in this beneficiary country shall be considered as originating goods or materials of this beneficiary country.

The list of regional groups is part of this regulation and to be otherwise promulgated by the General Administration of Customs of China.

Article 7 A good that does not meet the change in tariff classification shall be considered to be originating if the value of all non-originating materials used in its production not meeting the change in tariff classification does not exceed 10% of the value of the good, determined according to Article 5 (Regional Value Content (RVC)). Additionally, the good shall satisfy all other applicable requirements in this regulation.

Article 8 Goods shall not be considered as originating goods, only be reason of undergoing one or more of the following operations or processes, without any other operations or processes:

(a) operations or processes to ensure preservation of goods in good

condition for the purpose of transport or storage;

(b) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;

(c) changing package, unpacking or combining package

(d) washing, cleansing, removal of dust, oxide, oil, paint or other cover;

(e) ironing or pressing of textiles or textile products

(f) simple painting or polishing;

(g) husking, partial or total bleaching, polishing, and glazing of cereals and rice;

(h) operations to colour sugar, to add flavor, or to form sugar lumps; partial or total powdering crystallized sugar;

(i) peeling and removal of stones and shells from fruits, nuts and vegetables;

(j) sharpening, simple grinding or simple cutting;

(k) sifting, screening, sorting, classifying, grading, matching (including combining set goods), rip cutting, curving, winding, unfolding;

(l) simple placing in bottles, cans, flasks, bags, cases, boxes; fixing on cards or boards; and all other simple packaging operations;

(m) affixing or printing marks, labels, logos, and other like distinguishing signs on products or their packaging;

(n) simple mixing of products, whether or not of different kinds;

mixing sugar with other materials;

(o) testing or calibrating;

(p) mere dilution with water or other substances, which does not materially alter the characteristics of the goods;

(q) drying, salting (or keeping in brine);refrigeration or freezing;

(r) slaughter of animals;

(s)combination of two or more operations specified in sub-paragraphs (a) through (r).

Article 9 In determining the origin of goods, the origin of materials or articles used in the production of the good, but not physically incorporated into the goods, nor compounded of the goods, shall not be taken into account. These include:

(a) fuel, energy, catalysts and solvents;

(b) equipment, devices and supplies used for testing or inspecting the goods;

(c) gloves, glasses, footwear, clothing, safety equipment and supplies;

(d) tools, dies and moulds;

(e) spare parts and materials used in the maintenance of equipment and buildings;

(f) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and maintain buildings;

(g) any other goods that are not incorporated into the goods, but whose use in the production of the goods can reasonably be demonstrated to be a part of that production.

Article 10 Sets, as defined in General Rule 3 of the Harmonized System, shall be regarded as originating when all the goods of the sets are originating in a beneficiary country. Nevertheless, when a set is composed of originating and non-originating goods, the set as a whole shall be regarded as originating, provided that the value of the non-originating goods does not exceed 15% of the total value of the set, determined according to Article 5 in this regulation.

Article 11 If the goods are subject to change in tariff classification criterion, the origin of the package, packaging materials and containers presented with the goods for customs declaration and classified with the goods under the Harmonized System and parts, spare parts, tools and explanatory materials equipped customary with the goods shall be disregarded in determining the origin of the goods.

If the goods are subject to RVC criterion, the value of the package, packaging materials and containers presented with the goods for customs declaration and classified with the goods under the Harmonized System and parts, spare parts, tools and explanatory materials equipped customary with the goods shall be taken into account in calculating the RVC of the goods.

Article 12

1. Accessories, spare parts, or tools presented and classified with the good shall be considered as part of the good, provided:

(a) they are invoiced together with the good; and

(b) their quantities and values are commercially customary for the good.

2. Where a good is subject to change in tariff classification criterion, accessories, spare parts, or tools described in paragraph 1 shall be disregarded when determining the origin of the good.

3. Where a good is subject to a regional value content criterion, the value of the accessories, spare parts or tools described in paragraph 1 shall be taken into account as originating materials or non-originating materials, as the case may be, in calculating the regional value content of the good.

Article 13 Direct consignment in this regulation means that the originating goods are transported directly from the beneficiary country to ports of entry in China without going into any other countries or regions other than China or the beneficiary country (hereinafter referred to as other countries or regions).

Originating goods of the beneficiary country which are transported to China through other countries or regions, with or without

trans-shipment or temporary storage shall be determined as direct consignment, provided that the following requirements are satisfied at the same time:

(a) the goods do not enter into trade or consumption there;

(b) the goods do not undergo any operation there other than unloading , reloading or any other operations required to keep them in good condition;

(c) the goods shall be subject to the control of customs or related government competent authorities in such countries or regions;

(d) the goods which enter other countries or regions shall stay no longer than 6 months.

Goods claimed to be eligible for the Special Preference Treatment shall comply with this direct consignment rule.

Article 14 If imported goods are suspected of circumvention of Section I of this regulation by China Customs with sufficient evidence, related goods shall not be eligible for the Special Preference Treatment .

Section II: Implementation Procedures Related to Origin

Article15 Unless otherwise provided by the General Administration of Customs of China, the consignee of imported goods or the agent of this consignee (hereinafter referred as importer) shall, declare to import

to China Customs in accordance with the declaration requirements of the Customs, and fill in the “Customs Declaration Form for Import Goods of the Customs of the People’s Republic of China” claiming the imported goods to be eligible for the Special Preference Treatment and at the same time submit the following documents:

(a) a valid Certificate of Origin (format is attached as Appendix I).

If Customs has received the electronic data information of a Certificate of Origin of a beneficiary country via electronic data exchange system, it is not compulsory for importers to submit a Certificate of Origin for goods of that beneficiary country.

For goods satisfying the requirements of Article 19, importers may submit an Declaration of Origin (format is attached as Appendix II) other than a Certificate of Origin;

(b) commercial invoice of the goods;

(c) transport documents covered the whole route from the beneficiary country to ports of entry in China;

(d) For goods transported into the customs territory of China through other countries or regions, importers shall submit certified documents issued by customs of that country or region or other documents accepted by Chinacustoms. Those certified documents mentioned above are not compulsory when customs has obtained electronic data information of certified documents via related direct consignment electronic data system for transshipment.

If the transport documents provided for in subparagraph (c) of paragraph 1 are determined by China customs to be sufficient to fulfill the requirement of the Direct Consignment, importers are not required to submit certified documents provided for in subparagraph (d) of paragraph 1.

Before origin electronic data exchange system comes into living, the blank Certificates of Origin under the Special Preference Treatment shall be printed by the General Administration of Customs of China.

Article 16 Unless otherwise provided by the General Administration of Customs of China, for goods claimed to be originating from a beneficiary country, in the following cases, the importer shall make a supplementary declaration to the customs on whether the goods qualify the originating status of the beneficiary country (format is attached in Appendix III.) before customs duties and tax collection:

(a) where a valid Certificate of Origin or a Declaration of Origin is not provided at the time of declaration; or

(b) where China Customs do not receive data information provided for in subparagraph (a) and (d) of paragraph 1 in Article 15.

Unless otherwise provided by laws, regulations of China, China Customs may, according to the application of the importer, release the goods upon payment of deposit and supplementary declaration made by the importer to claim that the goods qualify originating status of a beneficiary country.

In the circumstance that the importer does not declare to China Customs for claiming that the imported goods to be eligible for the Special Preference Treatment, the Customs duties and taxes shall not be refunded after such duties and taxes are collected.

Article 17 The Certificate of Origin shall:

(a) be issued by the bodies authorized by the beneficiary country before exportation, at the time of exportation or within 5 days after exportation of the goods;

(b) be completed in English, based on the formats as set out in Appendix I ;

(c) contain security features, such as stamps of issuing bodies conforming to the specimen notified by the beneficiary country to China Customs;

(d) contain a unique certificate number;

(e) state the basis on which the goods are deemed to qualify as originating goods;

(f) be valid for one year from the date of issuance;

(g) be signed or stamped by customs or related port competent authorities of the beneficiary country in column 15 at the time of exportation.

(h) cover one or more goods under one consignment.

Article 18 If the beneficiary country does not send electronic data information of certificates of origin to China Customs via origin electronic data exchange system, the name, as well as correspondence address, email address, issuing stamps and official stamps or signatures of the issuing officers of customs or related port competent authorities in the beneficiary country shall be provided to the General Administration of Customs of China through the Economic and Commercial Counsellor's Office of the Embassy of China in the beneficiary country for record purpose, before issuance of any Certificates of Origin. Any change thereof shall be informed immediately to the Economic and Commercial Counselor's Office of the Embassy of China in the beneficiary country.

Article 19 Declaration of Origin

1. The importers may submit a Declaration of Origin to customs to claim the goods under the ruling to be applicable to the Special Preference Treatment, provided that:

(a) upon the request of importer, China Customs has made an ruling, which determined the origin of the imported goods to be a beneficiary country; and

(b) the ruling provided for in sub-paragraph (a) in paragraph 1 is in a valid state, and the facts and situations, based on which the

ruling was made do not change.

2. The Declaration of Origin shall:

(a) be completed in Chinese, based on the format attached in Appendix II;

(b) be printed, then completed and correctly signed by importer ;

(c) be valid for one year from the date of issuance;

(d) cover one or more goods under one consignment.

Article 20 The importer may apply for a refund of the payment of a deposit paid within one year, provided that:

(a) importer has made a supplementary declaration to customs to claim the goods eligible for the Special Preference Treatment and submitted a valid Certificate of Origin, or Declaration of Origin or certified documents in accordance with Article 15 of this regulation;

(b) China Customs has received electronic data information provided for in Article 15 paragraph 1(a) and (d);or

(c) China Customs has completed a verification on origin complying with this regulation, and the result of verification is sufficient to determine the real origin of the goods.

Article 21 In the circumstances where customs value of a consignment of originating goods of a beneficiary country does not exceed 6000 RMB, China customs may waive the requirements for the presentation of a Certificate of Origin or Declaration of Origin.

Waivers provided for in paragraph 1 shall not be applicable when an importation or importations in series undertaken for the purpose of avoiding the submission of Certificate of Origin or Declaration of Origin.

Article 22 Whereas suspicion arises as to the authenticity or the originating status of related goods, the General Administration of Customs of China or its authorized offices may initiate a request for verification either by themselves or through the Economic and Commercial Counselor's Office of the Embassy of China in the beneficiary country, to the competent department or authorized issuing bodies, who shall collaborate by responding to China Customs within 180 days from the date such a request is received. When deemed necessary and subject to the consent of the competent department in the beneficiary country concerned, officials from China Customs may conduct on-site verification visits to the exporter or producer's premises or to the competent department in the beneficiary country.

Whereas doubt arises about the information of the Declaration of Origin, customs may initiate a request for verification on the importer, who produced the Declaration of Origin. The importer, who is obliged to be verified shall collaborate by responding to China Customs with a written reply within 180 days from the date such a request is received.

Article 23 In the event of theft, loss or destruction of a Certificate of Origin, the importer may require its exporter to request the authorized

body of the beneficiary country for issuing a certified true copy of the original certificate within the validity period of the original certificate, provided that the original copy previously issued has not been used. The certified copy shall bear the words "CERTIFIED TRUE COPY of the original Certificate of Origin number ___ dated ___" in English in the "Remarks" column. If the original copy has been used, the certified copy shall be invalid and vice versa.

Article 24 Under one of the following circumstances, a Certificate of Origin may be issued retrospectively within twelve months from the date of exportation:

(a) it was not issued at the time of exportation or within 5 days after exportation due to force majeure.

(b) the authorized issuing body demonstrates that a Certificate of Origin was issued but it is not accepted by Chinacustoms at importation for technical reasons.

The Certificate of Origin issued retrospectively shall bear the words "ISSUED RETROSPECTIVELY" in English. In the circumstance of that stated in subparagraph (a) of paragraph1, the validation period shall be within one year from the date of exportation. In the circumstance of that stated in subparagraph (b) of paragraph1, the validation period shall remain the same with that of the original Certificate of Origin.

Article 25 China Customs may deny goods for Special Preference Treatment in the following circumstances:

(a) goods are not qualified originating status of a beneficiary country;

(b) importer do not declare to China Customs according to related regulations;

(c) importer do not submit a valid Certificate of Origin or Declaration of Origin provided for in Article 15 of this regulation when making a declaration for importation, nor make a supplementary declaration on whether the goods qualify originating status of a beneficiary country;

(d) the Certificate of Origin or Declaration of Origin does not meet the requirements of this regulation, or the goods do not match those listed on the Certificate of Origin;

(e) China Customs does not receive a reply within 180 days from the date when the competent department or issuing bodies received the verification request, or the reply does not contain sufficient evidence to confirm the authenticity of a valid Certificate of Origin, or the reply does not contain the true information of origin of goods;

(f) China Customs does not receive a reply within 180 days from the date when the importer received the verification request, or the reply does not contain sufficient evidence to confirm the authenticity of a valid Certificate of Origin, or the reply does not contain the true information of origin of goods; or

(g) other circumstances that importers do not comply with this regulation.

Article 26 China Customs and the competent departments of the beneficiary countries shall enhance cooperation on exchange of information and assistance in verification in relation to the enforcement of this regulation.

Article 27 China Customs, the competent departments and issuing bodies of the beneficiary countries shall maintain the confidentiality of the relevant information acquired pursuant to this regulation. Any violation of confidentiality shall be treated in accordance with the domestic legislation of each country.

In the absence of consent from the individuals or the government authorities who provided the above information, the said information shall not be disclosed, unless it is required by judicial proceedings.

Article 28 This regulation is subject to a periodic review of the General Administration of Customs of China. In case there is any modification, it will be notified to the relevant countries in the form of “Exchange Letters” 30 days before the said modification becomes effective.

Article 29 The General Administration of Customs of China is

responsible for the interpretation of this regulation.

Article 30 This regulation will come into effect on March 1st, 2017.

Appendix I:

ORIGINAL

1. Exporter's name and address:				Certificate No.: CERTIFICATE OF ORIGIN Form for the Special Preference Treatment (Combination of Declaration and Certificate of Origin) Issued in _____ (see Overleaf Instruction)		
2. Producer's name and address:						
3. Consignee's name and address:						
4. Means of transport and route Departure Date: Vessel/Flight/Train/Vehicle No.: Port of loading: Port of discharge:				Official use only:		
				5. Remarks:		
6. Item number	7. Marks and packages NO.	8. Number and kind of packages; description of goods	9. HS code (Six-digit code)	10. Origin criterion	11. Net weight, quantity (Quantity Unit) or other measures (liters, m ³ , etc.)	12. Number, date and value of invoice
13. Declaration by the Exporter: The undersigned hereby declares that the above details and statements are correct, that all the goods were produced in (country) and that they comply with the origin requirements specified in the Special Preference Treatment for the goods exported to China. Place and date, signature of authorized signatory			14. Certification: On the basis of control carried out, it is hereby certified that the declaration the exporter made is authentic. Place and date, stamp of authorized body		15. Verification of Customs or Port Competent Department: It is certified that the goods declaring export are the same as described on the Certificate. Place and date, stamp or signature of the Customs or Port Competent Department of export country	

Overleaf Instruction

Certificate No.: Serial number of Certificate of Origin assigned by the authorized issuing body.

Box 1: State the full legal name and address (including country) of the exporter in a beneficiary country.

Box 2: State the full legal name and address (including country) of the producer in a beneficiary country. If goods from more than one producer are included in the certificate, list the additional producers, including their full legal name and address (including country). If the exporter or the producer wishes to maintain this information as confidential, it is acceptable to state "AVAILABLE UPON REQUEST." If the producer and the exporter are the same, please complete field with "SAME."

Box 3: State the full legal name and address of the consignee in the customs territory of China.

Box 4: Complete the means of transport and route and specify the departure date, transport vehicle No., port of loading, and port of discharge.

Box 5: State the order number, number of LC or other information.

Box 6: State the item number, 50 is the maximum.

Box 7: State the shipping marks and numbers on packages.

Box 8: The name of goods and the number and kind of packages shall be specified. If the goods are not packed, state "IN BULK". In the end of the description of goods, add '***' or '\ '.

Box 9: Identify the HS tariff classification to six-digit corresponding to the goods.

Box 10: If the goods satisfy the requirement of the Rules of Origin, the exporter shall indicate in Box 10 the origin criteria on the basis of which he claims that his goods qualify for the Special Preference Treatment, in the manner shown in the following table:

origin criteria	to be filled in box 10
The goods are wholly obtained or produced in the territory of the beneficiary country as set out and defined in Article 4.	WO
The goods are produced used entirely by the originating materials in the territory of the beneficiary country.	WP
When the goods are subject to RVC criteria, RVC40% or CTH.	CTH or RVC40%
When the goods are subject to a requirement stipulated in PSR, the specified criteria shall be indicated.	Criterion as specified in PSR.

Box 11: Net weight shall be shown in kilograms here. Quantity shall be shown in quantity unit. Volume may be filled in the unit of liters or m³.

Box 12: Invoice number, date of invoices and invoiced value shall be shown here.

Box 13: The field shall be completed, signed and dated by the exporter of the beneficiary country.

Box 14: The field shall be completed with place, issuing date and stamped by the officer of the issuing body.

Box 15: The field shall be completed with place, issuing date by the officer of the customs or port competent authority in the beneficiary country. Meanwhile, the field shall be stamped or signed by the officers said above.

In case where there is not enough space on the first page of a Certificate of Origin for multiple lines of goods, additional pages can be used. The Certificate number will be the same as that shown on the first page. Box 6 to box 15 shall be

presented in the additional pages, together with the stamp of issuing body and the stamp or signature of the customs or the port competent authority.

Certificate NO.

6. Item number	7. Marks and packages NO.	8. Number and kind of packages; description of goods	9. HS code (Six-digit code)	10. Origin criterion	11. Net weight, quantity(Quantity Unit) or other measures(liters,m ³ ,etc.)	12. Number, date and value of invoice
<p>13. Declaration by the Exporter: The undersigned hereby declares that the above details and statements are correct, that all the goods were produced in</p> <p>..... (country)</p> <p>and that they comply with the origin requirements specified in the Special Preference Treatment for the goods exported to China.</p> <p>..... Place and date, signature of authorized signatory</p>			<p>14. Certification: On the basis of control carried out, it is hereby certified that the declaration the exporter made is authentic.</p> <p>..... Place and date, stamp of authorized body</p>		<p>15. Verification of Customs or Port Competent Department: It is certified that the goods declaring export are the same as described on the Certificate.</p> <p>..... Place and date, stamp or signature of the Customs or Port Competent Department of export country</p>	

Appendix II:

原产地声明

谨代表

(工整填写进口人名称和地址)

本人特此声明下述货物的原产地为_____ (具体受惠国名称)

符合《中华人民共和国海关最不发达国家特别优惠关税待遇
进口货物原产地管理办法》关于货物原产地的相关规定。

本人对本声明内容的真实性承担法律责任。

商品 项号	商品描述	HS 编码 (6 位)	发票 (编号和日期)	预裁定(预确定) 编号	原产地 标准

签名: _____

日期: _____

注意事项: 本声明必须工整填写, 并作为一份独立文件与商业
发票一并提交。

English interpretation for reference

DECLARATION OF ORIGIN

I _____

(print name, position and address)

being the IMPORTER hereby declare that the goods described below are originating
from _____

(the name of the Beneficiary Country)

in that they comply with the rules of origin requirements of the DUTY-FREE
TREATMENT granted by China.

I am legally responsible for the truthfulness and authenticity of what is declared above.

Item No.	Description of goods	Harmonised system code six (6) digits	Number and date of invoice	Reference number of Advance ruling	Origin-conferring criteria

Signed: _____

Date: _____

Note: This declaration shall be printed and presented as a separate document accompanying the commercial invoice. The maximum number of items covered by this declaration should not exceed 50.