

ANNEX 2F

REFERRED TO IN ARTICLE 2.4

RULES OF ORIGIN

ANNEX 2F

REFERRED TO IN ARTICLE 2.4 (RULES OF ORIGIN AND ADMINISTRATIVE
COOPERATION)

RULES OF ORIGIN

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SECTION I
GENERAL PROVISIONS

ARTICLE 1

Definitions

For the purposes of this Annex:

- (a) “a Party” means Iceland, Norway, Switzerland or Viet Nam. In accordance with the Customs Treaty of 1923 between Switzerland and Liechtenstein, Switzerland shall represent Liechtenstein in matters covered therein, and a product originating in Liechtenstein shall be considered originating in Switzerland;
- (b) “territory” means the land territory, internal waters and the territorial sea of a Party;
- (c) “manufacture” means working or processing, including assembly;
- (d) “goods” means materials or products;
- (e) “product” means the product being manufactured, even if it is intended for later use as a material in another manufacturing operation;
- (f) “material” means any ingredient, raw material, component or part, used in the manufacture of the product;
- (g) “originating materials” and “originating products” mean goods that qualify as originating in accordance with this Annex;
- (h) “non-originating materials” means materials that do not qualify as originating in accordance with this Annex;
- (i) “customs value” means the value as determined in accordance with the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 (WTO Agreement on Customs Valuation);
- (j) “value of materials” means the customs value at the time of importation of the non-originating materials used, or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in a Party;
- (k) “ex-works price” means the price paid for a product to the manufacturer in the Party where the last working or processing was carried out, in accordance with the international commercial terms “incoterms”, excluding internal taxes which may be repaid when the product is exported;
- (l) “Harmonized System” or “HS” means the Harmonized Commodity Description and Coding System;

- (m) “chapter”, “heading” and “sub-heading” mean a chapter (two-digit code), heading (four-digit code) or sub-heading (six-digit code) of the Harmonized System;
- (n) “competent authority” means the customs authorities of the EFTA States and the issuing authority designated by Viet Nam and the Department of Viet Nam Customs;
- (o) “exporter” means a natural or juridical person located in the territory of a Party where a good is exported from by such a person;
- (p) “importer” means a natural or juridical person located in the territory of a Party where a good is imported into by such a person.

SECTION II

CONCEPT OF “ORIGINATING PRODUCTS”

ARTICLE 2

Origin Criteria

For the purposes of the Agreement, a product shall be considered as originating in a Party if:

- (a) it has been wholly obtained in a Party, in accordance with Article 3 (Wholly Obtained Products);
- (b) the non-originating materials used in the working or processing have undergone sufficient working or processing in a Party, in accordance with Article 4 (Sufficient Working or Processing); or
- (c) it has been produced in a Party exclusively from materials originating in one or more Parties.

ARTICLE 3

Wholly Obtained Products

The following products shall be considered as wholly obtained in a Party:

- (a) mineral products and other non-living natural resources extracted or taken from the soil, waters, seabed or beneath its seabed;
- (b) plants, vegetables, fruits and other vegetable products grown, harvested, picked or gathered there;
- (c) live animals born and raised there, and products from such animals;
- (d) products obtained by hunting, trapping, fishing, aquaculture¹, gathering or capturing conducted there;
- (e) products obtained there by using cell cultures²;

¹ For the purposes of this Annex, “aquaculture” means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates, and aquatic plants from seed stock, by intervention in the rearing or growth processes to enhance production.

² For the purposes of this Annex, “cell culture” means a biotechnical process in which human, animal or plant cells are cultivated under controlled conditions (such as defined temperatures, growth medium, gas mixture, pH) outside a living organism.

- (f) products falling within Chapters 29 to 39 obtained there by fermentation³;
- (g) products of sea fishing and other marine products taken from the sea outside the territorial waters of any country, by a vessel registered in a Party and flying its flag, and products manufactured exclusively from such products, on board a factory ship registered in a Party and flying its flag;
- (h) products extracted from marine soil or sub-soil outside the territorial waters of a Party, provided that this Party has the sole rights to exploit that soil or sub-soil in accordance with international law;
- (i) waste and scrap derived from production or consumption in a Party provided that such goods are fit only for recovery of raw materials;
- (j) used goods collected in a Party provided that such goods are fit only for the recovery of raw materials; or
- (k) products manufactured there exclusively from those specified in subparagraphs (a) to (j).

ARTICLE 4

Sufficient Working or Processing

1. Without prejudice to Article 5 (Minimal Operations and Processes), a product listed in Appendix 2F-a (Product-Specific Rules) shall be considered to have undergone sufficient working or processing if the product-specific rules of that Appendix are fulfilled.
2. If a product, which has acquired originating status in accordance with paragraph 1 in a Party, is further processed in that Party and used as material in the manufacture of another product, no account shall be taken of the non-originating components of that material.
3. Notwithstanding paragraph 1, non-originating materials do not have to fulfil the conditions set out in Appendix 2F-a (Product-Specific Rules), provided that:
 - (a) their total value does not exceed 15% of the ex-works price of the product; and
 - (b) no maximum value of non-originating materials set out in Appendix 2F-a (Product-Specific Rules) is exceeded through the application of this paragraph.
4. Paragraph 3 shall not apply to originating products which are wholly obtained in a Party in accordance with Article 3 (Wholly Obtained Products). However, if the relevant

³ For the purposes of this Annex, “fermentation” means a biotechnological process in which human, animal or plant cells, bacteria, yeasts, fungi or enzymes are used in the production process.

product-specific rule of Appendix 2F-a (Product-Specific Rules) provides for a rule where certain materials must be wholly obtained, the tolerance of paragraph 3 may be applied.

5. Where a rule set out in Appendix 2F-a (Product-Specific Rules) is based on compliance with a sufficient processing threshold or a maximum content of non-originating materials, the value of non-originating materials may be calculated on an average basis over a period of three months in order to take into account the fluctuations in costs or currency rates, subject to the domestic requirements of the exporting Party.

ARTICLE 5

Minimal Operations and Processes

1. Operations or processes for the purposes listed below undertaken by themselves or in combination with each other, are considered to be minimal and shall not be taken into account in determining whether a product is originating:

- (a) preserving operations to ensure that a product remains in good condition during transport and storage;
- (b) freezing or thawing;
- (c) washing, cleaning, removal of dust, oxide, oil, paint or other coverings and other similar operations;
- (d) ironing or pressing of textiles or textile products;
- (e) simple painting and polishing;
- (f) husking, partial or total bleaching, polishing, and glazing of cereals and rice;
- (g) peeling or removal of stones or shells from fruits and vegetables, however, this provision does not pertain to nuts;
- (h) simple sharpening, simple grinding or simple cutting, simple slitting, simple bending, simple coiling and simple uncoiling and other similar simple operations; sifting, screening, sorting, classifying, grading, matching;
- (i) packaging, simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards, including with the purpose of presenting goods for sale;
- (j) affixing or printing marks, labels, logos and other distinguishing signs on products or their packaging;
- (k) simple mixing of products, whether or not of different kinds, including mere dilution with water or another substance that does not materially alter the characteristics of the goods;

- (l) simple assembly of parts of products to constitute a complete product or disassembly of products into parts; or
 - (m) slaughter of animal.
- 2. For the purposes of paragraph 1, “simple” describes activities which need neither special skills nor machines, apparatus or equipment especially produced or installed to carry out the activity.
- 3. All operations carried out in a Party on a given product shall be taken into account when determining whether the working or processing undergone by that product is considered as insufficient working or processing referred to in paragraph 1.

ARTICLE 6

Accumulation of Origin

- 1. Unless otherwise provided for in this Annex, a product originating in a Party, which is used as material in the manufacture of a product in another Party, shall be considered as originating in the Party where the last operations beyond those referred to in paragraph 1 of Article 5 (Minimal Operations and Processes) have been carried out.
- 2. A product originating in a Party, which is exported from one Party to another and does not undergo working or processing beyond those referred to in paragraph 1 of Article 5 (Minimal Operations and Processes), shall retain its origin.
- 3. Where materials originating in two or more Parties are used in the manufacture of a product and these materials have not undergone any working or processing beyond the operations referred to in Article 5 (Minimal Operations and Processes), the origin of the product is determined by the material with the highest customs value, or if this cannot be ascertained, with the highest first ascertainable price paid for that material in that Party.
- 4. Notwithstanding paragraph 1, non-agricultural products as set out in the Annexes 2A to 2D (Schedules of Tariff Commitments on Goods) imported from ASEAN Member States or the European Union, which are used as materials in the manufacture of a product in a Party, shall be considered as originating in the Party where the last operation has been carried out, provided that:
 - (a) preferential trade agreements in accordance with Article XXIV of the GATT 1994 between the EFTA State concerned, Viet Nam and that non-Party, which foresee certification of origin and administrative cooperation procedures, including procedures for verification of the originating status, are in force;
 - (b) these materials qualify as originating materials under the preferential trade agreement between that non-Party and the Party where the last operation has been carried out; and
 - (c) the working or processing carried out in the EFTA State concerned or Viet Nam goes beyond those referred to in paragraph 1 of Article 5 (Minimal Operations and Processes).

The Parties shall review the countries' lists of this paragraph within the framework of the Sub-Committee on Trade in Goods, Rules of Origin and Trade Facilitation (the Sub-Committee) with a view to expanding the coverage within three years from the date of entry into force of the Agreement.

ARTICLE 7

Unit of Qualification

1. For the purpose of determining the originating status, the unit of qualification of a product or material shall be determined in accordance with the Harmonized System.
2. Pursuant to paragraph 1:
 - (a) packaging shall be included with the product if it is included with that product in accordance with General Interpretative Rule 5 of the Harmonized System;
 - (b) where a set of items, in accordance with General Interpretative Rule 3 of the Harmonized System, is classified under a single heading, it shall constitute the unit of qualification; and
 - (c) where a consignment consists of a number of identical products classified under a single heading or sub-heading of the Harmonized System, each product shall be considered separately.
3. The packing materials and containers⁴ exclusively used for the transport of goods shall not be taken into account for determining the origin of the said goods.

ARTICLE 8

Accessories, Spare Parts and Tools

Accessories, spare parts and tools delivered with a product that form part of its standard accessories, spare parts or tools shall be considered as originating if the product qualifies as an originating product and shall be disregarded in determining whether all the non-originating materials undergo the applicable change of tariff classification set out in Appendix 2F-a (Product-Specific Rules), provided that:

- (a) the accessories, spare parts or tools, instructional or other information materials are not invoiced separately from the product;
- (b) the quantities and value of the accessories, spare parts or tools are customary for the product; and

⁴ For the purposes of this Annex packing materials and containers for transportation mean the goods used to protect a good during its transportation, different from those containers or materials used for its retail sale.

- (c) if the rule in Appendix 2F-a (Product-Specific Rules) applicable to the product contains a percentage for the maximum value of non-originating materials, the value of any non-originating accessories, spare parts or tools shall be included in calculating the value of non-originating materials.

ARTICLE 9

Neutral Elements

In order to determine whether goods originate, it shall not be necessary to determine the origin of the following which might be used in the production and not incorporated into the final product:

- (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 goods;
- (g) catalyst and solvent; and
- (h) any other elements which are not incorporated into and which are not intended to be incorporated into the final composition of the product.

ARTICLE 10

Accounting Segregation

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 inventory management practice of the exporting Party in accordance with its domestic laws and regulations.

2. For the purposes of paragraph 1, “identical and interchangeable materials” means materials that are of the same kind and commercial quality, with the same technical and physical characteristics, and which cannot be distinguished from one another once they are incorporated into the finished product.

3. The inventory management system shall be based on generally accepted accounting principles (GAAP) applicable in the Party in which the product is manufactured and ensure that no more final products receive originating status than would have been the case if the materials had been physically segregated.

4. GAAP means the recognised consensus or substantial authoritative support in each Party according to domestic laws and regulations. These standards may encompass broad guidelines of general application as well as detailed standards, practices and procedures.

5. A producer using an inventory management system shall, according to domestic laws and regulations, keep records of the operation of the system that are necessary for the competent authorities of the Party concerned to verify compliance with the provisions of this Annex.

6. According to its domestic laws and regulations, a Party may require that the application of an inventory management system as provided for in this Article be subject to prior authorisation. The said authorisation to use accounting segregation may be withdrawn by the competent authorities at any time if the producer makes improper use of it.

SECTION III

TERRITORIAL REQUIREMENTS

ARTICLE 11

Principle of Territoriality

1. The conditions for acquiring originating status set out in the provisions of Appendix 2F-a (Product-Specific Rules) must be fulfilled without any interruption in the territory of a Party.
2. If an originating product returns to the exporting Party after having been exported to a non-Party without having undergone any operation there, beyond those necessary to preserve its condition, that product shall retain its originating status.
3. Notwithstanding paragraph 1, the acquisition of originating status of a product listed in Appendix 2F-d (Products Referred to in Paragraph 3 of Article 11 (Principle of Territoriality)) in accordance with the provisions of Appendix 2F-a (Product-Specific Rules) shall not be affected by operations carried out in a non-Party under an outward processing procedure or a similar arrangement, if:
 - (a) the imported product has been obtained from the exported materials;
 - (b) the total added value acquired in the non-Party does not exceed 10% of the ex-works price of the product. The term “total added value” means all costs arising outside the Party concerned, including transport costs and the value of materials incorporated there; and
 - (c) the total value of the non-originating materials incorporated in the territory of the Party concerned, taken together with the total added value acquired outside the Party concerned, does not exceed the value allowed in accordance with Appendix 2F-a (Product-Specific Rules).
4. The Parties shall review the list of products of Appendix 2F-d (Products Referred to in Paragraph 3 of Article 11 (Principle of Territoriality)) and the percentage within the framework of the Sub-Committee within three years from entry into force of the Agreement.
5. Upon request of a Party, the Parties shall provide information on the outward processing, if available, with a view to assessing its implementation.

ARTICLE 12

Non-Alteration

1. Originating products, for which preferential tariff treatment is requested in a Party, shall be the same products as exported from another Party. They must not be altered or transformed in any way nor undergo operations other than those to preserve their condition, adding or affixing marks, labels, seals or any documentation to ensure

compliance with domestic requirements of the importing Party and carried out under customs supervision in the country(ies) of transit, prior to being declared for preferential tariff treatment.

2. Transit, storage of products or consignments may take place provided they remain under customs supervision in the country(ies) of transit.

3. Without prejudice to provisions of Section IV (Proofs of Origin), the splitting of consignments may take place where carried out by the exporter or under his responsibility, provided they remain under customs supervision in the country(ies) of splitting.

4. In case of doubt, the importing Party may request the declarant to provide evidence of compliance, which may be given by any means, including by:

- (a) contractual transport documents such as bills of lading;
- (b) factual or concrete evidence based on marking or numbering of packages;
- (c) any evidence related to the goods themselves; or
- (d) a certificate of non-manipulation provided by the customs authority(ies) of the country(ies) of transit or splitting or any other documents demonstrating that the goods remained under customs supervision in the country(ies) of transit or splitting.

ARTICLE 13

Exhibition

1. Originating products sent from an exporting Party for exhibition in a non-Party and sold during or after the exhibition into a Party shall benefit from the preferential treatment according to the Agreement on the condition that the products meet the requirements of this Annex, provided that it is shown to the satisfaction of the customs authority of the importing Party that:

- (a) an exporter has consigned those products from the territory of the exporting Party to a non-Party where the exhibition is held and has exhibited them there;
- (b) the exporter has sold the products or transferred them to a consignee in the importing Party; and
- (c) the products have been consigned during the exhibition or immediately thereafter to the importing Party in the state in which they were sent for exhibition.

2. A proof of origin must be issued or completed according to this Annex and submitted to the custom authority of the importing Party in the normal manner. 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 in shops or business premises with a view to selling foreign products and where the products remain under customs control during the exhibition.

ARTICLE 14

Non-Party Invoicing

The customs authority in the importing Party shall not deny a claim for preferential tariff treatment in cases where the sales invoice is issued either by a company located in a non-Party or by an exporter for the account of that company, provided that the goods meet the requirements of this Annex.

SECTION IV

PROOF OF ORIGIN

ARTICLE 15

General Requirements

1. For the purpose of obtaining preferential tariff treatment in a Party, an exporter established in another Party shall provide a documentary proof of origin for products which can be considered originating in a Party and fulfil the other requirements of this Annex.
2. For products exported from Viet Nam which are originating in a Party and otherwise fulfil the requirements of this Annex:
 - (a) a certificate of origin, issued in accordance with Articles 16 to 18, may be issued by the competent authority in Viet Nam, in accordance with Appendix 2F-b (Specimen of the Certificate of Origin VN-EFTA). The certificate of origin shall be completed in English; or
 - (b) an origin declaration may be completed for consignments fulfilling the requirements set out in paragraph 1 (b) of Article 19 (Origin Declaration) in accordance with Appendix 2F-c (Origin Declaration). The origin declaration shall be completed in English.⁵
3. For products exported from an EFTA State which are originating in a Party and otherwise fulfil the requirements of this Annex, an origin declaration may be completed in English by an exporter established in an EFTA State, in accordance with Appendix 2F-c (Origin Declaration).
4. A proof of origin shall be valid for 12 months from the date of completion or issuance.

ARTICLE 16

Procedure for the Issuance of a Certificate of Origin VN-EFTA

1. A certificate of origin VN-EFTA shall be issued by the competent authority upon written application by the exporter or, under the exporter's responsibility, by his authorised representative.
2. For the purpose of paragraph 1, the exporter or his authorised representative shall fill out both the certificate of origin VN-EFTA and an application form. The application form shall be completed as required in the domestic laws and regulations. If they are handwritten, they shall be completed in ink in printed characters. The description of the

⁵ This subparagraph shall be applied after Viet Nam has notified the EFTA States of such application.

products must be given in box 8 without leaving any blank lines. Where the box is not completely filled, a horizontal line shall be drawn below the last line of the description, and the empty space must be crossed through.

3. The exporter applying for the issuance of a certificate of origin VN-EFTA shall be prepared to submit to the competent authority that issues the certificate of origin VN-EFTA all appropriate documents proving the originating status of the products concerned, as well as the fulfilment of the other requirements of this Annex.

4. A certificate of origin VN-EFTA shall be issued by the competent authority if the products concerned can be considered as products originating in Viet Nam or in an EFTA State and fulfil the other requirements of this Annex.

5. The competent authority shall take any steps necessary to verify the originating status of the products concerned and the fulfilment of the other requirements of this Annex. For this purpose, they shall have the right to request for any evidence and to carry out any inspection of the exporter's accounts or any other control considered appropriate. The competent authority shall also ensure that the forms referred to in paragraph 2 are duly completed. In particular, they shall check whether the space reserved for the description of the products has been completed in such a manner as to exclude all possibility of fraudulent additions.

6. The date of issuance of the certificate of origin VN-EFTA shall be indicated in box 11 of the certificate.

7. The certificate of origin shall be issued as soon as possible but not later than three working days after the date of exportation (the declared shipment date).

8. The exporter and the competent authority shall keep a copy of the issued certificate of origin VN-EFTA and all documents supporting the originating status of the product, in paper or electronic form, for three years after the date of issuance, or longer if required by the domestic laws and regulations of the exporting Party.

9. Neither erasures nor superimpositions shall be allowed on the certificate of origin. Any alteration shall be made by:

- (a) striking out the error and making any addition required. Such alterations shall be approved by a person authorised to sign the certificate of origin and certified by the competent authority. 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 17

Certificates of Origin VN-EFTA Issued Retrospectively

1. Notwithstanding paragraph 7 of Article 16 (Procedure for the Issuance of a Certificate of Origin VN-EFTA), a certificate of origin VN-EFTA may exceptionally be issued no later than 12 months after exportation of the products to which it relates if it

was not issued at the time of exportation because of errors or involuntary omissions or special circumstances.

2. When a certificate of origin has been issued, but for technical reasons not accepted at the time of importation, the provision set out in Article 16 shall apply.

3. For the implementation of paragraphs 1 and 2, the exporter shall indicate in the application the place and date of exportation of the products to which the certificate of origin VN-EFTA relates, and state the reasons for the request. The period of validity shall be calculated from the date of its issuance.

4. The competent authority may issue a certificate of origin VN-EFTA retrospectively only after verifying that the information supplied in the exporter's application corresponds with the information in the original file.

5. Certificates of origin VN-EFTA issued retrospectively must be endorsed with the phrase "ISSUED RETROSPECTIVELY".

6. The endorsement referred to in paragraph 5 shall be inserted in Box 7 of the certificate of origin VN-EFTA.

ARTICLE 18

Issuance of Duplicate Certificate of Origin VN-EFTA

1. In the event of theft, loss or destruction of a certificate of origin VN-EFTA, the exporter may, by stating the reason for his request, apply to the competent authority which issued it for a duplicate to be completed on the basis of the export documents in their possession.

2. The duplicate issued in this way shall be endorsed with the word "DUPLICATE".

3. The endorsement referred to in paragraph 2 shall be inserted in Box 7 of the duplicate certificate of origin VN-EFTA.

4. The duplicate, which shall bear the date of issuance of the original certificate of origin VN-EFTA, shall take effect as from that date.

ARTICLE 19

Origin Declaration

1. An origin declaration referred to in sub-paragraph 2 (b) and paragraph 3 of Article 15 (General Requirements) may be completed:

(a) by any exporter in an EFTA State; or

(b) by a Vietnamese exporter⁶

2. An origin declaration may be completed if the products concerned can be considered as products originating in Viet Nam or in an EFTA State and fulfil the other requirements of this Annex.

3. An exporter who has completed an origin declaration shall be prepared to submit at any time, at the request of the competent authority of the exporting Party, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Annex.

4. The origin declaration may be provided on the invoice, the delivery note, the packing list or any other commercial document that identifies the exporter and the originating products, and, except as provided in Article 21 (Approved Exporter), bear the original signature of the exporter.

5. An origin declaration, according to Appendix 2F-c (Origin Declaration), shall be completed by the exporter by typing, stamping or printing the declaration on the document mentioned under paragraph 4. If the declaration is handwritten, it shall be written in ink in printed characters.

6. An origin declaration may be completed when the products to which it relates are exported, or after exportation.

7. Regarding the empowerment of re-exporters in non-Parties, the Parties shall review this Article within the framework of the Sub-Committee within three years of the date of entry into force of this Agreement.

8. An exporter who has completed an origin declaration shall keep a copy of the origin declaration and all documents supporting the originating status of the product, in paper or electronic form, for three years after the date of completion of the origin declaration, or longer if required by the domestic laws and regulations of the exporting Party.

ARTICLE 20

Issuance of a Proof of Origin on the Basis of a Proof of Origin Previously Issued or Completed

When originating products are placed under customs control, it shall be possible to replace a proof of origin by one or more proofs of origin, also sometimes referred to as back-to-back proof of origin, for the purpose of sending all or some of these products to another Party or elsewhere within the importing Party concerned.

The replacement proof of origin shall be issued in accordance with the domestic laws and regulations of the Party where the products are placed under customs control. Where required the proof of origin to be replaced shall be presented to the competent authority. The period of validity of the replacement proof of origin shall not exceed the

⁶ This subparagraph shall be applied after Viet Nam has notified the EFTA States of such application.

period of validity of the replaced proof of origin. The replacement proof of origin shall contain the date of issuance of the replaced proof of origin, and if applicable, its serial/reference number.

ARTICLE 21

Approved Exporter

1. The competent authority of the exporting Party may, subject to domestic requirements, authorise an exporter of that Party to complete origin declarations without signature, provided that he submits a written undertaking to those competent authorities, stating that he accepts full responsibility for any origin declaration which identifies him, as if he had signed it.
2. An exporter who requests such authorisation must offer to the satisfaction of the competent authority all guarantees necessary to verify the originating status of the products as well as the fulfilment of the other requirements of this Annex.
3. The competent authority of the exporting Party shall provide, to the approved exporter, an authorisation number to be included in the origin declaration instead of the signature.
4. The competent authority of the exporting Party may verify the proper use of an authorisation and withdraw it if the exporter no longer meets the conditions or otherwise makes improper use of it.

SECTION V

PREFERENTIAL TREATMENT

ARTICLE 22

Importation Requirements

1. Each Party shall grant preferential tariff treatment in accordance with the Agreement to originating products of a Party imported from another Party, on the basis of a proof of origin referred to in Article 15 (General Requirements).
2. In order to obtain preferential tariff treatment, the importer shall, in accordance with the procedures applicable in the importing Party, request preferential tariff treatment at the time of importation of an originating product, whether or not the importer is in possession of a proof of origin.
3. If the importer is not in possession of a proof of origin at the time of importation, the importer may, in accordance with the domestic laws and regulations of the importing Party present the proof of origin and, if required, other documentation relating to the importation, at a later stage.
4. A proof of origin shall be submitted to the customs authority of the importing Party within the 12-month period set out in paragraph 4 of Article 15 (General Requirements). Subject to domestic laws and regulations the expiration of this period may be suspended as long as the products covered by that proof of origin remain under customs control of the importing Party. After this period, the customs authority of the importing Party may accept proofs of origin, subject to the importing Party's domestic laws, regulations or administrative practices, only in exceptional circumstances (for example failure to observe the time limit results from force majeure or other valid causes beyond the control of the importer and/or exporter).
5. An importer who has been granted preferential tariff treatment shall keep the proof of origin and other relevant documents for three years after the date on which preferential tariff treatment was granted, or longer if required by the domestic laws and regulations of the importing Party.

ARTICLE 23

Exemptions from Proof of Origin

Notwithstanding paragraph 1 of Article 22 (Importation Requirements), a Party may, in accordance with its domestic laws and regulations, waive the requirements to present a proof of origin and grant preferential tariff treatment to:

- (a) non-commercial low value consignments of originating products as well as originating products for personal use forming part of the personal luggage of a traveller; and

- (b) originating products of the exporting Party not exceeding US\$ 200.00 ex-works price per consignment or a higher amount specified in the importing Party's domestic laws, regulations or administrative practices, provided that the importation does not form part of one or more importations that may reasonably be considered as made for the purpose of avoiding the submission of the proof of origin.

ARTICLE 24

Importation by Instalments

1. Where, at the request of an importer and on the conditions laid down by the customs authority of the importing Party, dismantled or non-assembled products within the meaning of General Rule 2 (a) of the Harmonized System are imported by instalments:

- (a) a single proof of origin covering all the instalments may be submitted to the customs authority upon importation of the first instalment; or
- (b) a proof of origin may be submitted for each imported instalment.

2. Notwithstanding paragraph 4 of Article 15 (General Requirements), a single proof of origin issued in accordance with sub-paragraph 1 (a), shall remain valid until the last instalment is imported.

ARTICLE 25

Cooperation of Exporters and Importers with Competent Authorities

1. Exporters and importers benefitting from the Agreement shall, within the framework of the Agreement and subject to the domestic laws and regulations of the Party concerned, cooperate with the competent authorities of the Party concerned and submit, at their request, supporting documents regarding the fulfilment of the requirements of this Annex.

2. An exporter who has completed a proof of origin must:

- (a) upon request of the competent authority of the exporting Party, submit the documents referred to in Article 15 (General Requirements) to this authority, which may, at any time, carry out inspections and verify the exporters or the producer's accounts and take other appropriate measures; and
- (b) when becoming aware of or having reason to believe that a proof of origin contains incorrect information, immediately notify the importer and the competent authority of the exporting Party of any change affecting the originating status of each product covered by that proof of origin.

3. An importer who has requested or has been granted preferential tariff treatment must:

- (a) submit the documents referred to in paragraph 4 of Article 12 (Non-Alteration) to that authority; and
- (b) when becoming aware of or having reason to believe that the proof of origin contains incorrect information, immediately notify the customs authority of the importing Party of any change affecting the originating status of each product covered by a proof of origin.

ARTICLE 26

Denial of Preferential Treatment

1. The importing Party may deny preferential tariff treatment or recover unpaid customs duties in accordance with its domestic laws and regulations where a product does not meet the requirements of this Annex or where the importer or exporter fails to demonstrate compliance with the relevant requirements.
2. Slight discrepancies between the statements made in the proof of origin and those made in other documents submitted to the customs office for customs clearance or obvious formal errors, such as typing errors in a proof of origin, shall not as such render the proof of origin invalid.
3. For multiple goods declared under the same proof of origin, a problem encountered with one of the goods listed shall not affect or delay the granting of preferential tariff treatment and customs clearance of the remaining goods listed in the proof of origin.

SECTION VI

ADMINISTRATIVE COOPERATION

ARTICLE 27

Verification of Proofs of Origin

1. The competent authorities of the exporting Party shall carry out verifications of proofs of origin upon written request of the importing Party. The request and any subsequent communication including the result may be submitted through letter mail or via electronic means.
2. Subsequent verifications of proofs of origin shall be carried out whenever the competent authorities of the importing Party have reasonable doubts as to the authenticity of a proof of origin, the originating status of the products concerned or the fulfilment of other requirements of this Annex. The verification request shall identify the reasons for the inquiry and include a copy of the proof of origin and, if appropriate, any other document or information giving reason to believe that the proof of origin is invalid.
3. The importing Party shall submit the verification request to the exporting Party within 36 months from the completion or issuance of the proof of origin. The exporting Party is not obliged to conduct verifications based on verification requests received after that deadline.
4. The customs authorities of the importing Party may, subject to their domestic laws and regulations, suspend preferential tariff treatment to a product covered by a proof of origin until the verification procedure has been finalised. Any suspension of preferential treatment shall be revoked by the importing Party as soon as possible after the originating status of the products concerned or the fulfilment of other requirements of this Annex has been ascertained.
5. The competent authorities of the exporting Party may request evidence, carry out inspections at the exporter's or producer's premises, check the exporter's and the producer's accounts and take other appropriate measures to verify compliance with this Annex.
6. The requesting Party shall be informed of the results and findings of the verification within ten months from the date of the verification request. If the requesting Party receives no reply within the time limit mentioned above, or if the reply does not state clearly whether a product is originating or whether the proof of origin is valid, the requesting Party may deny preferential tariff treatment to the consignment covered by the proof of origin in question.
7. Where the requested Party is unable to meet the deadline referred to in paragraph 6, due to pending court procedures or other reasons, it shall, upon motivated request within that deadline, be granted an extension of the deadline.

ARTICLE 28

Notifications and Cooperation

1. The Parties shall provide each other, through the EFTA Secretariat with:
 - (a) the addresses of the competent authorities of the Parties responsible for issuing the certificate of origin and specimen impressions of official stamps used by these bodies referred to in Article 16 (Procedure for the Issuance of a Certificate of Origin VN-EFTA);
 - (b) the addresses of the competent authorities of the Parties responsible for verifications referred to in Article 27 (Verification of Proofs of Origin) and other issues related to the implementation or application of this Annex;
 - (c) information on authorisation numbers allocated to approved exporters, pursuant to Article 21 (Approved Exporter); and
 - (d) information on the interpretation, application and administration of this Annex.
2. The Parties shall endeavour to resolve technical matters related to the implementation or application of this Annex, to the extent possible, through direct consultations between the competent authorities referred to in sub-paragraph 1 (a) or in the Sub-Committee. Disputes that cannot be settled through such consultations shall be submitted to the Joint Committee.
3. The Parties shall provide each other, through the EFTA Secretariat, with details on new preferential trade agreements with non-Parties which might affect the implementation of Article 6 (Accumulation of Origin), including their dates of entry into force and their corresponding rules of origin.

ARTICLE 29

Confidentiality

Any information communicated pursuant to this Annex shall be treated as confidential by the Parties in accordance with the respective domestic laws and regulations of each Party. Such information shall not be disclosed by the authorities of a Party without the express permission of the person or authority providing it.

SECTION VII
FINAL PROVISIONS

ARTICLE 30

Penalties

Each Party shall, in accordance with its domestic laws and regulations, provide for penalties to be imposed on any person who draws up, or causes to be drawn up, a document which contains incorrect information for the purpose of obtaining preferential tariff treatment.

ARTICLE 31

Products in Transport, Transit or Storage

The provisions of the Agreement may be applied to products which, on the date of entry into force of the Agreement, are either in transport or transit or in a Party in temporary storage in a customs warehouse or in a free zone under customs control. For such products, a proof of origin may be issued or completed retrospectively up to 12 months from entry into force of the Agreement, provided that the provisions of this Annex and in particular Article 12 (Non-Alteration) have been fulfilled.
