

CHAPTER 3 RULES OF ORIGIN

Article 3.1: Definitions

For the purposes of this Chapter:

aquaculture means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from seedstock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding, or protection from predators, etc.;

Chapters, Headings and Subheadings means the chapters, the headings and the subheadings (two, four and six-digit codes respectively) used in the nomenclature which makes up the Harmonized System or HS;

CIF means the value of the goods imported, including freight and insurance costs to the port of importation in Viet Nam or in Israel;

classification refers to the classification of a product or material under a particular heading or sub-heading;

Competent Authorities refers to:

For Viet Nam, the Ministry of Industry and Trade or the General Department of Viet Nam Customs under the Ministry of Finance, or its successor;

For Israel, the Customs Directorate of the Israel Tax Authority of the Ministry of Finance, or its successor;

consignment means goods which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;

customs value means the value as determined in accordance with Article VII of *GATT 1994* and *the Agreement on Implementation of Article VII of GATT 1994* (WTO Agreement on Customs Valuation);

ex-works price means the price paid for the product ex-works to the manufacturer in Viet Nam or in Israel in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used and all other costs related to its production, excluding any internal taxes which are or may be repaid when the product obtained is exported;

goods mean both materials and products;

FOB means the free-on-board value of the goods;

fungible 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 another, once they are incorporated into the finished good.

Issuing Authority refers to:

For Viet Nam, the Ministry of Industry and Trade or an Authority designated to issue a certificate of origin as notified to the other Party in accordance with this Chapter;

For Israel, The Customs Directorate of the Israel Tax Authority of the Ministry of Finance;

material means any ingredient, raw material, component or part, etc., used in the production of a good or physically incorporated into a good or subjected to a process in the production of another good;

production means any kind of working or processing, including assembly or specific operations such as growing, mining, harvesting, farming, raising, breeding, extracting, gathering, collecting, capturing, fishing, trapping, hunting or manufacturing;

product means the product manufactured, even if it is intended for later use in another manufacturing operation;

Value of Non-Originating Materials is the CIF value at the time of importation or the earliest ascertained price paid for all non-originating materials that are acquired by the producer in the production of the good.

Article 3.2: Originating Goods

For the purposes of implementing this Agreement, the following goods shall be considered as originating in a Party:

- (a) goods wholly obtained or produced in the Party within the meaning of Article 3.4 (Wholly Obtained Goods);
- (b) goods produced in a Party exclusively from originating materials from Viet Nam or Israel, and meet all other applicable requirements of this Chapter; or
- (c) goods produced entirely in a Party incorporating materials which have not been obtained there, provided that such materials have undergone sufficient working or processing in a Party within the meaning of Article 3.5 (Sufficiently Worked or Processed Goods).

Article 3.3: Cumulation of Origin

1. Bilateral Cumulation

Notwithstanding Article 3.2 (Originating Goods), goods originating in one of the Parties shall be considered as goods originating in the other Party and it shall not be necessary that such goods had undergone working or processing.

2. The Parties may agree to review this Article within the framework of the Joint Committee with a view to providing for other forms of cumulation for the purposes of qualifying goods as originating goods under this Agreement.

Article 3.4: Wholly Obtained Goods

The following shall be considered as wholly produced or obtained in Viet Nam or in Israel:

- (a) minerals extracted from the soil or subsoil of any of the Parties, including its territorial seas, continental shelf or exclusive economic zone;
- (b) plants and vegetable goods grown, harvested, picked or gathered there;
- (c) live animals born and raised there;
- (d) goods obtained from aquaculture there;
- (e) goods from live animals as in subparagraph (c);
- (f) goods obtained by hunting, trapping, collecting, capturing and fishing there, including fishing in its territorial sea continental shelf or in the exclusive economic zone;
- (g) used articles collected there fit only for the recovery of raw materials including used tyres fit only for retreading;
- (h) waste and scrap resulting from utilization, consumption or manufacturing operations conducted there;
- (i) goods of sea fishing, and other marine goods taken from the waters in the high seas, only if done by any vessel registered or recorded with a Party and entitled to fly the flag of that Party in accordance with its domestic law;
- (j) goods taken or extracted from the waters, seabed or subsoil outside the territorial sea of a Party, provided that the Party has rights to exploit such waters, seabed or subsoil;
- (k) goods produced on board any factory ship registered or recorded with a Party and entitled to fly the flag of that Party, exclusively from the goods referred to in subparagraphs (i) and (j); and
- (l) goods produced in any of the Parties exclusively, from the goods specified in subparagraphs (a) to (k).

Article 3.5: Sufficiently Worked or Processed Goods

For the purposes of Article 3.2(c), goods which are not wholly obtained are considered to be sufficiently worked or processed when the conditions set out in the list in Annex 3A (Product Specific Rules of Origin) are fulfilled.¹

Those conditions indicate, for all goods covered by this Agreement, the working or processing which must be carried out on non-originating materials used in manufacturing and apply only in relation to such materials. Accordingly, it follows that if non-originating materials undergo sufficient working or processing, which results in an originating good, and when that good is used in the subsequent manufacture of another good, no account shall be taken of the non-originating material contained therein.

Article 3.6: De Minimis

1. A good that does not undergo a change in tariff classification pursuant to Article 3.5.1 and Annex 3A (Product Specific Rules of Origin) shall be considered as originating if:

- (a) the value of all non-originating materials used in its production that do not undergo the required change in tariff classification does not exceed 10 percent of the ex-works price of the good or for Chapters 15 through 24 of the Harmonized System 10 percent of the weight of the good;
- (b) the good meets all other applicable criteria set forth in this Chapter for qualifying as an originating good; and
- (c) any of the percentages given in Annex 3A (Product Specific Rules of Origin) for the maximum value of non-originating materials are not exceeded through the application of this paragraph.

2. A good provided for in Chapters 50 through 63 of the Harmonized System that is not an originating good, because certain fibres or yarns used in the production of the component of the good that determines the tariff classification of the good do not undergo an applicable change in tariff classification set out in Annex 3A (Product Specific Rules of Origin), shall nonetheless be considered as originating if the total weight of all such fibres or yarns in that component is not more than 10 percent of the total weight of that component.

¹ If a good is subject to Article 3.5.1, the installation of substantial software developed in a Party shall be taken into account as a manufacturing process.

Article 3.7: Insufficient Working or Processing

1. The following operations shall be considered as insufficient working or processing to confer the status of originating goods, whether or not the requirements of Article 3.5 (Sufficiently Worked or Processed Goods) are satisfied:

- (a) preserving operations to ensure that the goods remain in good condition during transport and storage;
- (b) simple² changing of packaging and breaking-up and assembly of packages;
- (c) washing, cleaning, removal of dust, oxide, oil, paint or other coverings;
- (d) simple³ painting and polishing operations;
- (e) husking, partial or total bleaching, polishing, and glazing of cereals and rice;
- (f) ironing or pressing of textiles;
- (g) operations to colour sugar or form sugar lumps; partial or total milling of crystal sugar;
- (h) peeling, stoning and shelling, of fruits, nuts and vegetables;
- (i) sharpening, simple⁴ grinding or simple cutting;
- (j) sifting, screening, sorting, classifying, grading and matching (including the making-up of sets of articles);
- (k) affixing or printing marks, labels, logos and other like distinguishing signs on goods or their packaging;
- (l) dilution in water or other substances, providing that the characteristics of the goods remain unchanged;
- (m) simple⁵ placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;
- (n) simple⁶ assembly of parts of articles to constitute a complete article or disassembly of goods into parts;
- (o) simple⁷ mixing of goods, whether or not of different kinds;

² "Simple" generally describes activities which need neither special skills nor machines, apparatus or equipment especially produced or installed for carrying out the activity. Simple mixing does not include a chemical reaction. A chemical reaction means a process (including a biochemical process) which results in a molecule with a new structure by breaking intermolecular bonds and forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

³ see footnote 1.

⁴ see footnote 1.

⁵ see footnote 1.

⁶ see footnote 1.

- (p) a combination of two or more of the above operations; and
- (q) slaughter of animals.

Article 3.8: Unit of Qualification

1. The unit of qualification for the application of the provisions of this Chapter shall be the particular product which is considered to be the basic unit when determining classification using the nomenclature of the Harmonized System.

It follows that:

- (a) When a product composed of a group or assembly of articles is classified under the terms of the Harmonized System in a single subheading, the whole constitutes the unit of qualification; and
 - (b) When a consignment consists of a number of identical goods classified under the same subheading of the Harmonized System, each product must be taken individually when applying the provisions of this Chapter.
2. Where, under General Rule 5 of the Harmonized System, packaging is included with the product for classification purposes, it shall be included for the purposes of determining origin.

Article 3.9: Accounting Segregation

1. For the purpose of establishing if a product is originating when originating and non-originating fungible materials that are mixed or physically combined, are utilized in its manufacture, the origin of such materials can be determined by any of the inventory management methods applicable in the Party.
2. Where considerable cost or material difficulties arise in keeping separate stocks of originating and non-originating materials which are identical and interchangeable, the Customs Authorities may authorize the so-called "accounting segregation" method to be used for managing such stocks.
3. This method must be able to ensure that the number of goods obtained which could be considered as "originating" is the same as that which would have been obtained if there had been physical segregation of the stocks.
4. This method is recorded and applied on the basis of the general accounting principles applicable in the Party where the product was manufactured.
5. The beneficiary of this facilitation may issue or apply for proofs of origin, as the case may be, for the quantity of goods which may be considered as originating. At the request of the Competent Authorities, the beneficiary shall provide a statement of how the quantities have been managed.

⁷ see footnote 1.

Article 3.10: Accessories, Spare Parts and Tools

Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as one with the piece of equipment, machine, apparatus or vehicle in question.

Article 3.11: Sets

Sets, as defined in General Rule 3 of the Harmonized System, shall be regarded as originating when all component goods are originating. 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 CIF value of the non-originating goods does not exceed 15 percent of the ex-works price of the set.

Article 3.12: Neutral Elements

In order to determine whether a good originates, it shall not be necessary to determine the origin of the following which might be used in its manufacture:

- (a) energy and fuel;
- (b) plant and equipment, including goods to be used for their maintenance;
- (c) machines, tools, dyes and moulds; spare parts and materials used in the maintenance of equipment and buildings; lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings; gloves, glasses, footwear, clothing, safety equipment and supplies; catalysts and solvents; equipment, devices and supplies used for testing or inspecting the product; and
- (d) other goods which do not enter into the final composition of the product.

Article 3.13: Principle of Territoriality

1. Except as provided for in Article 3.3 (Cumulation of Origin) and paragraph 3 of this Article, the conditions for acquiring originating status set out in Article 3.5 (Sufficiently Worked or Processed Goods), of this Chapter must be fulfilled without interruption in Viet Nam or in Israel.

2. Where originating goods exported from Israel or from Viet Nam to a non-party, are returned to the exporting Party, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the Customs Authorities that:

- (a) the returning goods are the same as those exported; and

- (b) they have not undergone any operation beyond that necessary to preserve them in good condition while in that non-party or while being exported.

3. The Parties may agree to review this Article within the framework of the Joint Committee.

Article 3.14: Direct Transport

1. The preferential treatment provided under this Agreement applies only to goods, satisfying the requirements of this Chapter, which are transported directly between Viet Nam and Israel.

2. However, goods constituting one single consignment may be transported through other territories with, should the occasion arise, trans-shipment or temporary warehousing in such territories, under the surveillance of the Customs Authorities therein, provided that:

- (a) they are not intended for trade, consumption, use or employment in the non-party where the goods were in transit; and
- (b) they do not undergo operations other than unloading, reloading, splitting of a consignment or any operation designed to preserve them in good condition.

3. Evidence that the conditions set out in paragraph 1 have been fulfilled shall be supplied to the Customs Authorities of the importing Party by the production of:

- (a) any single through transport documents, that meet international standards and that proves that the goods were directly transported from the exporting Party through the non-party where the goods are in transit to the importing Party; or
- (b) a certificate issued by the Customs Authorities of the non-party where the goods were in transit which contains an exact description of the goods, the date and place of loading and re-loading of the goods in that non-party and the conditions under which the goods were placed; or
- (c) in the absence of any of the above documents, any other documents that will prove the direct shipment.

4. Goods exported from one of the Parties will retain their originating status when re-imported into that Party.

Article 3.15: Exhibitions

1. Originating goods, sent for exhibition in a non-party other than Viet Nam or Israel and sold after the exhibition for importation in Viet Nam or in Israel shall benefit on importation from the provisions of this Agreement provided it is shown to the satisfaction of the Customs Authorities that:

- (a) an exporter has consigned these goods from Viet Nam or Israel to the non-party in which the exhibition is held and has exhibited them there;
- (b) the goods have been sold or otherwise disposed of by that exporter to a person in Viet Nam or in Israel;
- (c) the goods have been consigned during the exhibition or immediately thereafter in the non-party to which they were sent for exhibition; and
- (d) the goods have not, since they were consigned for exhibition, been used for any purpose other than demonstration at the exhibition.

2. A proof of origin must be issued or made out in accordance with the provisions of this Chapter and submitted to the Customs Authorities of the importing Party in the normal manner. The name and address of the exhibition must be indicated thereon.

3. Paragraph 1 shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display which is not organized for private purposes in shops or business premises with a view to the sale of foreign goods, and during which the goods remain under customs control.

Article 3.16: Proof of Origin

1. Goods originating in a Party shall, on importation into the other Party, benefit from preferential tariff treatment under this Agreement upon submission of a Proof of Origin in accordance with the domestic law of the importing Party, which shall be completed in English.

2. Any of the following shall be considered a Proof of Origin:

- (a) a certificate of origin in paper or electronic format issued by a Competent Authority as per the specimen in Annex 3B (Certificate of Origin);
- (b) an electronic certificate of origin issued by a Competent Authority in accordance with Article 3.17 (Electronic Origin Data Exchange);
- (c) a declaration subsequently referred to as the 'Origin Declaration', in the cases specified in Article 3.22 (Conditions for Making out an Origin Declaration), which describes the goods concerned in sufficient detail to enable them to be identified.

3. For the purposes of this Chapter, “paper format” means a Certificate of Origin manually or electronically signed, stamped, and issued in the exporting Party directly from the Competent Authority's system and printed by the Competent Authority, producer or exporter, or his authorized representative.

4. Notwithstanding paragraph 1, originating goods within the meaning of this Chapter shall, in the cases specified in Article 3.26 (Exemptions from Proofs of Origin),

benefit from this Agreement without it being necessary to submit any of the documents referred to above.

Article 3.17: Electronic Origin Data Exchange

1. For the purposes of Article 3.16.2(b), the Sub-Committee on Customs and Rules of Origin shall endeavour to develop an electronic system for the exchange of electronic certificates of origin and origin information to ensure the effective and efficient implementation of this Chapter.
2. For the purposes of this Chapter, “an electronic certificate of origin” means a Certificate of Origin that is transmitted electronically.

Article 3.18: Procedures for the Issuance of Certificates of Origin

1. Certificates of Origin shall be issued by the Competent Authority of the exporting Party, having been made by the exporter or under the exporter's responsibility by his authorized representative, in accordance with the domestic regulations of the exporting Party.
2. The exporter applying for the issuance of a Certificate of Origin 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 goods concerned, as well as the fulfilment of the other requirements of this Chapter.
3. Certificates of Origin shall be issued if the goods to be exported can be considered as goods originating in the exporting Party in accordance with Article 3.2 (Originating Goods).
4. The Competent Authority shall take any steps necessary to verify the originating status of the goods and the fulfilment of the other requirements of this Chapter. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's books or any other check considered appropriate.
5. Each Certificate of Origin will be assigned a specific number by the Competent Authority.
6. Certificates of Origin shall be issued by the Competent Authority and made available to the exporter as soon as the actual exportation has been affected or ensured, or within three working days after the said date subject to each Party's domestic law.

Article 3.19: Certificates of Origin Issued Retrospectively

1. Notwithstanding Article 3.18(6), a Certificate of Origin may exceptionally be issued after the exportation of the goods to which it relates if it was not issued at the time of exportation or within three working days as mentioned in Article 3.18(6), because of errors or involuntary omissions or special circumstances or it is

demonstrated to the satisfaction of the Competent Authority that the Certificate was issued but was not accepted at importation for technical reasons.

2. For the implementation of paragraph 1, the exporter must indicate in his application the place and date of exportation of the goods to which the Certificate of Origin relates, and state the reasons for his request.

3. The Competent Authority may issue a Certificate of Origin retrospectively only after verifying that the information supplied in the exporter's application conforms with that in the corresponding file.

4. It shall be indicated on the Certificates of Origin issued in accordance with this Article that they were issued retrospectively in the appropriate field as detailed in Annex 3B (Certificate of Origin). The Certificates of Origin issued retrospectively, which shall bear the date of issue retrospectively, shall take effect from that date.

5. The provisions of this Article may be applied to goods which comply with the provisions of this Agreement, including this Chapter, and which on the date of entry into force of this Chapter are either in transit or are in Viet Nam or in Israel in temporary storage under customs control, subject to the submission to the Customs Authorities of the importing Party, within six months of the said date, of a Certificate of Origin issued retrospectively by the Competent Authority of the exporting Party together with the documents showing that the goods have been transported directly in accordance with the provisions of Article 3.14 (Direct Transport).

Article 3.20: Duplicate Certificates of Origin

1. In the event of theft, loss or destruction of a Certificate of Origin in paper format, the exporter may apply to the Competent Authority that issued it for a duplicate made out on the basis of the export documents in their possession.

2. It shall be indicated in the appropriate field on the Certificates of Origin issued in accordance with this Article that they are duplicates, as detailed in Annex 3B (Certificate of Origin).

3. The duplicate, which shall bear the date of issue of the original Certificate of Origin, shall take effect from that date.

Article 3.21: Approved Exporter

1. The Competent Authorities of the exporting Party may authorise any exporter, (hereinafter “approved exporter”), who exports goods under this Agreement, to make out Origin Declarations, a specimen of which appears in Annex 3C (Approved Exporter Declaration Pursuant to Article 3.21), irrespective of the value of the goods concerned, in accordance with appropriate conditions in the respective law of the exporting Party. An exporter seeking a such authorisation must offer to the satisfaction of the Competent Authorities all guarantees necessary to verify the originating status of the goods as well as the fulfilment of the other requirements of this Chapter.

2. The Competent Authorities may grant the status of an approved exporter, subject to any conditions which they consider appropriate as specified in each Party's domestic law.

3. The Competent Authorities shall grant to the approved exporter an authorisation number which shall appear on the Origin Declaration. The text of the Origin Declaration appears in Annex 3C (Approved Exporter Declaration Pursuant to Article 3.21).

4. The Competent Authorities shall monitor the use of the authorisation by the approved exporter.

5. The Competent Authorities may withdraw the authorisation at any time. They shall do so where the approved exporter no longer offers the guarantees referred to in paragraph 1, no longer fulfils the conditions referred to in paragraph 2 or otherwise makes incorrect use of the authorisation.

Article 3.22: Conditions for Making out an Origin Declaration

1. An Origin Declaration as referred to in Article 3.16(2)(c) may be made out by an approved exporter within the meaning of Article 3.21 (Approved Exporter) or by an exporter where the value of the originating good does not exceed 1000 dollars. The text of the Origin Declaration appears in Annex 3D (Origin Declaration Pursuant to Article 3.21).

2. The exporter making out an Origin Declaration shall be prepared to submit at any time, upon request of the Competent Authority of the exporting Party, all appropriate documents proving the originating status of the goods concerned, as well as the fulfilment of the other requirements of this Chapter.

3. An Origin Declaration shall be made out by the exporter by typing, stamping or printing on the invoice, the delivery note or another commercial document, the declaration, the text of which appears in Annex 3C (Approved Exporter Declaration Pursuant to Article 3.21) and Annex 3D (Origin Declaration Pursuant to Article 3.21). If the declaration is hand-written, it shall be written in ink in block letters.

Article 3.23: Validity of Proofs of Origin

1. Proofs of origin shall be valid for twelve months from the date of issue in the exporting Party and must be submitted within that period to the Customs Authorities of the importing Party.

2. Proofs of origin which are submitted to the Customs Authorities of the importing Party after the final date for presentation specified in paragraph 1 may be accepted for the purposes of applying preferential treatment, where the failure to submit these documents by the final date set is due to exceptional circumstances.

3. In other cases of belated presentation, the Customs Authorities of the importing Party may accept the proofs of origin where the goods have been imported before the said final date.

Article 3.24: Submission of Proofs of Origin

Proofs of origin shall be submitted to the Customs Authorities of the importing Party in accordance with its domestic law, including the procedures applicable to that Party.

Article 3.25: Importation by Instalments

Where, upon request of the importer and on the conditions laid down by the Customs Authorities of the importing Party, dismantled or non-assembled goods within the meaning of General Rule 2(a) of the Harmonized System are imported by instalments, a single proof of origin for such goods shall be submitted to the Customs Authorities upon the importation of the first instalment.

Article 3.26: Exemptions from Proofs of Origin

1. Goods sent as small packages from private persons to private persons or forming part of travellers' personal luggage shall be admitted as originating goods without requiring the submission of a proof of origin, provided that such goods are not imported by way of trade and have been declared as meeting the requirements of this Chapter and where there is no doubt as to the veracity of such a declaration. In the case of goods sent by post, this declaration can be made on the customs declaration or on a sheet of paper annexed to that document.

2. Imports which are occasional and consist solely of goods for the personal use of the recipients or travellers or their families shall not be considered as imports by way of trade if it is evident from the nature and quantity of the goods that no commercial purpose is in view.

3. Furthermore, the total value of these goods shall not exceed US \$300 in the case of small packages or US \$1000 in the case of goods forming part of travellers' personal luggage.

Article 3.27: Supporting Documents

The documents referred to in Articles 3.16(3) and 3.19(2) and that are used for the purposes of proving that goods covered by a Certificate of Origin or an Origin Declaration can be considered as goods originating in Viet Nam or in Israel and fulfil the other requirements of this Chapter may consist *inter alia* of the following:

- (a) direct evidence of the processes carried out by the exporter or supplier to obtain the goods concerned, contained, for example in his accounts or internal bookkeeping;

- (b) documents proving the originating status of materials used, issued or made out in Viet Nam or in Israel where these documents are used in accordance with domestic law;
- (c) documents proving the working or processing of materials in Viet Nam or in Israel, issued or made out in Viet Nam or in Israel, where these documents are used in accordance with domestic law;
- (d) Certificates of Origin or Origin Declarations proving the originating status of materials used, issued or made out in Viet Nam or in Israel in accordance with this Chapter;
- (e) appropriate evidence concerning working or processing undergone outside Viet Nam or Israel by application of Article 3.13 (Principle of Territoriality) of this Chapter, proving that the requirements of that Article have been satisfied.

Article 3.28: Preservation of Proofs of Origin and Supporting Documents

1. The exporter applying for the issue of the Certificate of Origin shall keep the documents referred to in Article 3.18 (Procedures for the Issuance of Certificates of Origin) for at least five years.
2. The exporter making out an invoice declaration shall keep a copy of this invoice declaration, as well as the documents referred to in Article 3.22 (Conditions for Making out an Origin Declaration) for at least five years.
3. The Competent Authority in the exporting Party that issued a Certificate of Origin shall keep any document relating to the application procedure referred to in Article 3.18 (Procedures for the Issuance of Certificates of Origin) for at least five years.
4. The Customs Authorities of the importing Party shall keep the Certificates of Origin and the invoice declarations submitted to them for at least five years.

Article 3.29: Discrepancies and Formal Errors

1. The discovery of slight discrepancies between the statements made in a proof of origin and those made in the documents submitted to the customs office for the purpose of carrying out the formalities for importing the goods shall not *ipso facto* render a proof of origin null and void if it is duly established that the document does correspond to the goods submitted.
2. Obvious formal errors on a proof of origin should not cause it to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in it.

Article 3.30: Mutual Assistance

1. The Competent Authorities of Viet Nam and Israel shall provide each other with the addresses of the Competent Authorities responsible for verifying Certificates and origin declarations.
2. In order to ensure the proper application of this Chapter, Viet Nam and Israel shall assist each other, through their respective Competent Authorities, in checking the authenticity of the Certificates of Origin, the invoice declarations and the correctness of the information given in these documents.

Article 3.31: Verification of Proofs of Origin

1. Subsequent verifications of proofs of origin shall be carried out at random or whenever the Customs Authorities of the importing Party have reasonable doubts as to the authenticity of proofs of origin, the originating status of the goods concerned or the fulfilment of the other requirements of this Chapter.
2. For the purposes of implementing the provisions of paragraph 1, the Customs Authorities of the importing Party shall transmit requests for verification of origin through electronic means to the Competent Authorities of the exporting Party. The request for verification by post or by email shall include the number of the Certificate or in the case of an Invoice Declaration, a copy thereof. In support of the request for verification, where needed, the reasons for the request should be indicated, and any documents and information obtained suggesting that the information given on the proofs of origin is incorrect should be attached.
3. The verification shall be carried out by the Competent Authorities of the exporting Party. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's books or any other check considered appropriate.
4. If the Customs Authorities of the importing Party decide to suspend the granting of preferential treatment to the goods concerned while awaiting the results of the verification, release of the goods shall be offered to the importer subject to any precautionary measures judged necessary.
5. The Customs Authorities requesting the verification shall be informed of the results of this verification by post or email means as soon as possible. These results must indicate clearly whether the information contained in the proofs of origin and the supporting documents is correct, and whether the goods concerned can be considered as goods originating in Viet Nam or Israel and fulfil the other requirements of this Chapter.
6. If there is no reply within 10 months of the date of the verification request or if the reply does not contain sufficient information to determine the authenticity of the proofs of origin or the real origin of the goods, the requesting Customs Authorities shall, except in exceptional circumstances, refuse entitlement to the preferences.

7. This Article shall not preclude the exchange of information or the granting of any other assistance as provided for in customs cooperation agreements.

Article 3.32: Denial of Preferential Treatment

1. Only for the following specific reasons, the preferential treatment may be refused without verification of the Proofs of Origin:

- (a) the requirements on direct transport of Article 3.14 (Direct Transport) have not been fulfilled;
- (b) the importer fails to submit the Proof of Origin to the Customs Authority of the importing Party within the period specified in the importing Party's law;
- (c) the issuing authority of the exporting Party or the exporter did not sign the Certificate of Origin electronically or manually.

2. If the Customs Authority of the importing Party denies a claim for preferential tariff treatment, it shall provide the decision in writing to the importer that includes the reasons for the decision.

Article 3.33: Dispute Settlement

1. Where disputes arise in relation to the verification procedures of Article 3.31 (Verification of Proofs of Origin) which cannot be settled between the Customs Authorities requesting verification and the Competent Authorities responsible for carrying out the verification or where a question is raised by one of those Customs Authorities as to the interpretation of this Chapter, the matter shall be submitted to the Sub-committee on Customs and Rules of Origin established by the Joint Committee in accordance with Chapter 13 (Administration of the Agreement) of this Agreement. If no solution is reached, Chapter 14 (Dispute Settlement) of this Agreement shall apply.

2. In all cases, the settlement of disputes between the importer and the Customs Authorities of the importing Party shall be under the legislation of said Party.

Article 3.34: Amendments to the Chapter

- 1. The Joint Committee may decide to amend the provisions of this Chapter.
- 2. The Joint Committee may modify specific rules of origin in the framework of Annex 3A (Product Specific Rules of Origin) of this Chapter by mutual agreement.

Article 3.35: Sub-Committee on Customs and Rules of Origin

1. The Sub-Committee on Customs and Rules of Origin established by the Joint Committee in accordance with Chapter 13 (Administration of the Agreement) of this

Agreement may review the provisions of this Chapter and submit a proposal for a decision to be adopted by the Joint Committee to amend it.

2. The Sub-Committee on Customs and Rules of Origin shall endeavour to agree upon the uniform administration of the rules of origin and valuation matters relating to the rules of origin and technical, interpretative or administrative matters relating to this Chapter.