



Australian Government

Department of Immigration  
and Border Protection

# Administration of Rules of Origin

Gabrielle Tramby

Traveller, Customs and Industry Policy Division

WCO Origin Conference 2017

# Australia's trade agreements

- Australia-United States Free Trade Agreement (**AUSFTA**)
- Australia-New Zealand Closer Economic Relations Trade Agreement (**ANZCERTA**)
- Australia-Chile Free Trade Agreement (**ACIFTA**)
- South Pacific Trade and Economic Co-Operation Agreement (**SPARTECA**)
- Generalised System of Preferences (**GSP**)
- Malaysia-Australia Free Trade Agreement (**MAFTA**)
- Trans-Pacific Partnership (**TPP**)
- Singapore-Australia Free Trade Agreement (**SAFTA**)
- Korea-Australia Free Trade Agreement (**KAFTA**)
- Japan-Australia Economic Partnership Agreement (**JAEPA**)
- China-Australia Free Trade Agreement (**ChAFTA**)
- Thailand-Australia Free Trade Agreement (**TAFTA**)
- ASEAN-Australia-New Zealand Free Trade Area (**AANZFTA**)

# Documentary evidence of origin

To claim preferential tariff treatment the importer must be able to prove the origin of the good.

The documentary evidence of origin required varies across our trade agreements.

# Different types of documentary evidence of origin

1. Certificate of Origin
2. Written declaration of origin

Method	Agreement
Knowledge by the importer	Australia-United States Free Trade Agreement ( <b>AUSFTA</b> )
Written declaration / Declaration of Origin filled out by the exporter or producer	Australia-New Zealand Closer Economic Relations Trade Agreement ( <b>ANZCERTA</b> ) Australia-Chile Free Trade Agreement ( <b>ACIFTA</b> ) South Pacific Trade and Economic Co-Operation Agreement ( <b>SPARTECA</b> ) Generalised System of Preferences ( <b>GSP</b> ) Malaysia-Australia Free Trade Agreement ( <b>MAFTA</b> ) Trans-Pacific Partnership ( <b>TPP</b> )
Certificate of Origin that can be used for multiple shipments supplemented by written declaration for each shipment	Singapore-Australia Free Trade Agreement ( <b>SAFTA</b> ) Korea-Australia Free Trade Agreement ( <b>KAFTA</b> )
Certificate of Origin for each shipment or written declaration each shipment	Japan-Australia Economic Partnership Agreement ( <b>JAPEPA</b> )
Certificate of Origin for each shipment but a written declaration can be used where there is an Advance Ruling on the origin of the good	China-Australia Free Trade Agreement ( <b>ChAFTA</b> )
Certificate of Origin for each shipment	Thailand-Australia Free Trade Agreement ( <b>TAFTA</b> ) ASEAN-Australia-New Zealand Free Trade Area ( <b>AANZFTA</b> )

# Australia's experience with written declarations

Certificates of Origin and other written declarations of origin are treated the same.

Claims for preferential tariff treatment must meet the requirements of the relevant trade agreements.

Verification is carried out selectively, based on risk assessment and intelligence.

# What is a written declaration of origin?

A written declaration states that the identified good meets a free trade agreement's rules of origin requirements, and are therefore originating.

A written declaration is based on information provided by the producer or exporter.

# What is the difference between a certificate of origin and a written declaration of origin?

A certificate of origin is issued by or on behalf of the government of the exporting party.

A declaration of origin removes the third party and is issued by the exporter or producer of the good.



# Approach to compliance

We assess non-compliance using a risk-based approach to identify common non-compliant behaviour.

This informs treatment responses to ensure they are proportionate to the offence committed.

# Risk assessment

The Australian Border Force may seek further evidence of preference entitlement for any specific reason or a simple intuitive selection, irrespective of the existence of a certificate or a declaration.

Where there is insufficient evidence to establish that preference applies, the general rate of duty is payable.

# Origin verification

Possession of a Certificate of Origin or a written declaration of origin does not always provide definitive proof that the imported goods actually meet the rules of origin.

This can only be obtained by conducting the origin verification.

# How do you prove origin?

Self declaration: the responsibility is on the person making the claim.

They need to gather and keep information from each step of the supply chain.

The information needs to support a claim for preferential tariff treatment as required by the trade agreement.

# How is origin verified?

Origin verification processes are the same for all types of origin documentation.

1. Request information from the importer.
2. If needed, we will seek more information from the importer (or producer/supplier) or authorised body.
3. Finally, we may undertake a verification visit.

# Verification visit

In line with the relevant trade agreement the Australian Border Force may conduct a verification visit if there is an identified need to do so.

# Penalty scheme

The Australian Border Force compliance scheme is complemented by sanctions which include a range of penalties for non-compliance.

# Case study: Japan-Australia FTA (JAEPA)

- JAEPA offers a written declaration option
- The declaration of origin includes elements that can be verified:
  - Producer/Exporter details
  - Goods description
  - HS tariff codes
  - Preference claim/criteria
  - Certified by parties to the transaction



# Origin documentation

All people involved in the supply chain should have knowledge that claims for preference can be supported.

Commercial documentation to support that claim needs to be provided upon request.

Documentation based on Generally Accepted Accounting Practices (GAAP).

# Supporting documentation

The documentary evidence to prove origin are commercial documents that are obtained in the ordinary course of business.

# Role of the Customs administration

1. Provide clear and concise guidelines.
2. Ensure traders have an understanding of their compliance obligations.
3. Highlight penalty regime for non-compliance.
4. Apply a whole of government approach.
5. Work closely and cooperatively with all parties to achieve satisfactory outcomes.

# Why we use a written declaration for traders?

- Widely recognised by traders as a cost-effective measure for facilitating trade.
- Facilitates responsiveness to modern supply chain patterns.
- Cuts red tape and speeds up the flow of trade.
- Reduction in administrative burdens to prove origin.

# How does a written declaration work for Customs agencies?

- Places the onus for documentary evidence on the person seeking preferential tariff treatment rather than on a third party.
- Removes the administrative burden from exporting agencies.



# Thank you