## 22 CUSTOMS FACT SHEET >>> IMPORTANT INFORMATION

# **ANZCERTA - RULES OF ORIGIN FOR DETERMINED MANUFACTURED RAW MATERIALS (DMRM)**

#### **IMPORTANT NOTE**

This publication is produced jointly by Australian and New Zealand Customs Services. It is designed to inform exporters and importers involved in Trans-Tasman trade of the requirements for obtaining Determined Manufactured Raw Material (DMRM) status for material inputs of third country origin. These provisions are based on, and give effect to, the requirements of Article 3 of the Australia/New Zealand Closer Economic Relations Trade Agreement (ANZCERTA).

In some cases, it has not been possible to achieve administrative uniformity as the administrations do not have identical systems for examining requests to determine materials and this is recognised in Explanatory Note to Article 3 of ANZCERTA. This Fact Sheet outlines joint interpretations with separate comment on the differences.

Every attempt has been made to provide readers with topical and accurate information. However, this publication is not designed to serve as a substitute for the following relevant statutory provisions. Clients should therefore seek their own legal advice and note the following statutory provisions.

Australia:

Customs Act 1901 Division 1A of Part VIII Section 153J(1)

New Zealand: Customs and Excise Regulations 1996,

Regulation 33(1)(b)

Changes to legislation will be advised by Australian Customs Notice and New Zealand Customs Release.

## 1. ABBREVIATIONS

The following abbreviations are used throughout this document:

ACS - Australian Customs Service AREA CONTENT – Australian and New Zealand content ANZCERTA - Australia New Zealand Closer Economic Relations Trade Agreement

DMRM - Determined Manufactured Raw Materials

GAZETTE - Commonwealth of Australia Tariff Concessions Special Gazette, Customs Edition of the New Zealand Gazette

NZCS - New Zealand Customs Service.

#### 2. PURPOSE OF DMRM SYSTEM

ANZCERTA provides for goods which achieve "wholly manufactured" status to be traded free of Customs duty between Australia and New Zealand. In order to obtain "wholly manufactured" status, the finished goods generally must achieve 100 percent area content (ie no material or process from a third country is to form part of the finished good).

It is recognised, however, that in manufacture it is not always possible to achieve 100 percent area content as small quantities of incidental materials usually form part of the finished product. To allow a degree of flexibility the 100 percent area content is administered with a tolerance of 3 percent. In effect "wholly manufactured" is administered as being 97 percent area content.

Under ANZCERTA the Governments of Australia and New Zealand recognise that there are material inputs into manufacturing operations performed in both countries that are not manufactured in Australia or New Zealand. The Governments, to allow these inputs to be recognised as materials obtained from within the area, decided to institute a



PROTECTING NEW ZEALAND'S BORDER

system to determine manufactured raw materials. These determined materials can now be claimed as being the origin of either Australia or New Zealand.

The DMRM system provides for manufactured raw materials of third country origin, which are not manufactured in either country, to be determined. This "determination" has the effect of enabling goods manufactured from either materials of the area and/or from "determined" manufactured raw materials to be treated as "wholly manufactured".

#### 3. CORE CRITERIA

The criteria for the granting of a DMRM are set out in the Explanatory Note to Article 3 of ANZCERTA and in the Annex to the Explanatory Note which details the procedures of Australia and New Zealand. While the procedures are not identical for each country, the core criteria are similar in that they are reliant upon:

- a substantive duty free tariff rate or duty concession which may be a Tariff concession in either country; and
- no objection being raised by either an Australian or New Zealand manufacturer on the basis that the material, or a substitutable/ suitable alternative material, is manufactured by them.

## 4. OUTLINE OF LEGISLATION

The legislation applicable to DMRMs is as follows:

Australia: Customs Act 1901

Division 1A of

Part VIII Section 153J(1)

**New Zealand:** Customs and Excise Regulations 1996,

Regulation 33(1)(b)

This legislation is reproduced at Appendix 1.

#### 5. DUTY CONCESSIONS

One of the core criteria to be satisfied is that material have a substantive duty free tariff rate, or be subject to a duty concession. Accordingly, a duty concession must be approved prior to the lodgement of a DMRM application. To obtain a duty concession the following procedures should be followed.

#### **Australia**

Australian legislation requires that an application for a duty concession should be lodged on the approved form providing all of the information requested in the form. Application forms for a Tariff Concession Order can be obtained from Customs Houses throughout Australia. The forms also include detailed instructions and guidance for their completion.

Further information on the duty concessions system is at Appendix 2.

#### **New Zealand**

An Application for Tariff Industry
Assistance (Concession) should be lodged
with the Ministry of Commerce, Box
1473, Wellington. Application forms can
be obtained from any regional office of
the Ministry of Commerce or
New Zealand Customs Service.

### 6. DMRM APPLICATION FORM

A DMRM application form (Appendix 3), which contains detailed guidance notes, should be completed by the manufacturer of the final product and forwarded to the Customs Administration in the country of export. See Section 14 "Further Information" for places to obtain the application form. Applications should be supported by technical documentation, costing details, and documentary evidence, (where Australian or New Zealand origin is claimed). Applications that are not complete may not be accepted for processing. A separate application form is required for each final manufactured product for which wholly manufactured status is sought.

## 7. WORDING OF DMRM REFERENCE

Both Customs administrations require the use of generic descriptions when applying for a DMRM. Generic descriptions are required so that it is possible to:

- facilitate the use of DMRMs by companies other than the original applicant (brand names restrict usage to applicants); and
- enable both administrations to verify the classification of the goods.

Wording of DMRM should be as follows;

## (a) Where Substantive Rate Of Duty Is Free

Where the material the subject of the DMRM application attracts a substantive free rate of duty the description on the application should be sufficient to accurately describe the goods for which the determination is sought.

## (b) Where Duty Concession Applies

Where the materials are the subject of a duty concession, the wording used to describe the materials on the DMRM application should, where practicable, be consistent with the wording of the concession, but certainly be no broader than the duty concession. Guidelines published in ACS Manual 13 Appendix H are available to assist applicants in drafting the wording where the raw material is subject to a duty concession.

#### 8. PROCESSING PROCEDURES

### **Customs Notification**

The Customs administration which has received the application will notify the other administration of receipt of the application. A common unique identification number will be applied to each manufactured raw material that is the subject of the application. Preliminary consultation between the ACS and NZCS, may also be undertaken at this time.

## **Screening of Application**

A preliminary assessment of the application is undertaken to ensure that:

- all the necessary information has been supplied
- the core criteria have been met
- the final manufactured goods are dutiable; and
- the proposed wording is appropriate.

## **Preliminary Assessment**

Applications will also be screened to ensure that the final product achieves "wholly manufactured" status (i.e., 100 percent area content but allowing a 3 percent administrative tolerance).

Applications may be rejected at this stage if they are not substantially complete, supporting technical documentation is not supplied, or the other requirements have not been met.

The application is referred to the other Customs administration to enable concurrent processing to proceed.

# **Confirmation of Classification Applicant Responsibility**

Applicants should note that the provision of a Tariff Advice in Australia and a Tariff Ruling in New Zealand, with the application, will reduce processing times and minimise processing delays. Both Customs administrations therefore encourage applicants to supply such documents.

If a Tariff Advice or a Tariff Ruling is not provided, sufficient and adequate details must be provided for Customs to verify the classification.

#### **Customs Role**

In *Australia* the Tariff Classification Section ACS Central Office will be consulted to confirm the classification of the manufactured raw materials, the final manufactured product and applicable rates of duty.

In *New Zealand* the confirmation of classification is the responsibility of the National Tariff Advisory Unit,
New Zealand Customs Service, Wellington.

## **Public Notification**

Local manufacturers of identical or substitutable/suitable alternative materials are invited by Gazette Notice to lodge objections to the granting of a DMRM. These objections are to be lodged with the respective Customs Administrations at the address shown in Section 14 "Further Information", within 21 days of the date of the Gazette Notice. A sample gazette notice is included at Appendix 4.

Customs administrations will liaise regarding the release dates for public notices.

### **Objections**

Objections will only be accepted from Australian or New Zealand manufacturers of identical or substitutable/suitable alternative manufactured raw materials. Objections which are substantiated will result in either an amendment to the wording of the DMRM application to narrow the scope, or the application will be rejected due to local manufacture.

Objections based on local manufacture of final products rather than the manufacture of raw materials cannot be accepted.

Where objections are resolved, or where none are received, the application will be held pending advice from the other Customs administration that their local manufacturing criteria has been satisfied.

## **Approval**

In *Australia* the delegate of the Chief Executive Officer will sign an instrument to give effect to the decision to grant a DMRM.

In *New Zealand* an officer holding delegated authority of the Chief Executive will approve the determination of the materials for which DMRM status is sought.

### **Operative Date**

The operative date of the DMRM is the date on which objections closed in the country where the application was lodged.

#### **Notification to Grant DMRM**

The instrument making the determination to grant DMRM status is published by Gazette Notice (Appendix 5). The other Customs administration and the applicant are also notified of the decision.

The consolidated list of DMRMs is updated to include the addition of the new DMRM (in Australia this is published in ACS Manual Volume 8 Division 9).

#### Access

The granting of a DMRM enables all exporters of complete goods between Australia and New Zealand to make use of the DMRM provided that the finished goods meet the "wholly manufactured" criterion.

#### 9. CANCELLATION OF DMRM

A DMRM is granted on the basis that the manufactured raw material is duty free either substantively or subject to a duty concession and there are no objections raised by Australian or New Zealand manufacturers.

Where the basis for granting of a DMRM changes manufacturers may apply to the respective Customs administration to have the DMRM cancelled. Cancellation may occur as a result of:

- an objection from a local manufacturer that is producing identical or substitutable/suitable alternative goods to those the subject of a DMRM
- administrative reasons such as for the correction of an error in an instrument. Actions taken will be dictated by the circumstances involved; or
- the cancellation of the duty concession where the DMRM is the subject of a Duty Concession.

There is no provision to cancel a DMRM where a local manufacturer claims that injury is being caused to the market for finished goods manufactured from the DMRM.

### **Duty Concession DMRM**

Where the DMRM was granted as a result of a duty concession the cancellation of the DMRM is reliant upon the revocation of the duty concession. The cancellation of the DMRM will be carried out on receipt of a written request from the local manufacturer after the duty concession has been revoked.

A request for the revocation of a duty concession (Tariff Concession Order) should be made, on the prescribed form, and forwarded to the Tariff Concession Group in ACS Central Office Canberra or the Ministry of Commerce, in New Zealand.

A Cancellation Notice will be published after consultation between Customs administrations.

#### **Local Manufacturer Objection**

DMRMs may be cancelled as a result of objection by a local manufacturer. As mentioned above, the objection must be substantiated and must be in relation to the materials that are described in the DMRM—not the finished product.

Local manufacturers who lodge cancellation applications will be required to submit evidence that they manufacture identical or substitutable/suitable alternative manufactured raw materials. It may be necessary for an officer to visit the premises of local manufacturers to substantiate any information that is submitted in support of a request for cancellation.

Notification of all cancellations will be made in the Gazette with the operative date being the date of gazette of the revocation notice.

Where a duty concession is revoked and re-issued for a more restrictive range of goods consideration will be given to narrowing the description of the DMRM without the need to again supply a fully documented case.

## 10. MANUFACTURE

In order to achieve "wholly manufactured" status, a requirement to be met is that manufacture must have occurred in the exporting country (refer to the legislative requirements detailed in Appendix 1).

Manufacture involves making one thing out of another, the new being essentially different in character, identity, form, function, description and commercial understanding from the other.

Manufacture must involve a significant change in the form or function of the thing said to be manufactured, compared with its unmanufactured or previously manufactured state.

Essence of making or of manufacture is that what is made shall be a different thing from that out of which it is made. Only where change has occurred as noted above can manufacture be said to have taken place.

On the other hand, repairing, re-conditioning, overhauling or re-furbishing do not constitute manufacture as these are restoration processes.

Certain 'minimal operations or processes' will generally not, by themselves, be considered to constitute manufacture. Although not exhaustive, examples of such 'minimal operations or processes' includes:

- affixing of marks, labels or distinguishing signs on goods or their packages
- application of grease, anti-rust paint or protective coating
- chilling
- · cleaning or washing
- crushing
- dilution with water or any other aqueous solution
- · grouping of packages
- husking, shelling, or stoning
- ionizing

- packing, unpacking, repacking, or breaking bulk
- preparation for sale and quality control inspections
- pressing, labelling, ticketing
- · removing of damaged parts
- salting
- · testing or calibration
- sifting, screening, or sorting
- spreading out
- ventilation or drying.

In certain situations, whether or not manufacture has occurred in Australia or New Zealand can only be established on a case-by-case basis with due regard to the facts, e.g., the nature of the imported component parts or materials at the beginning of the process, the process or processes performed in Australia or New Zealand, and the nature of the goods the result of the process or processes, noting that there must be the creation of a new good and different article.

### 11. MATERIALS OF MIXED ORIGIN

Australian policy in regard to materials of mixed origin is that only manufactured raw materials which are imported from a third country and go directly into the final process of manufacture of the goods are eligible for determination. Materials which have undergone a process of intervening manufacture in either Australia or New Zealand are not eligible for determination.

*New Zealand* administers this policy in a similar manner.

#### **12. INNER CONTAINERS**

Inner containers include any containers into which any finished goods are packed other than pallets, containers or similar articles which are used by carriers for cargo conveyancing.

#### **Australia**

Australian legislation treats the cost of inner containers in the same way as it treats the cost of materials. It does not necessarily follow that inner containers will be treated as materials for the purpose of manufacture. Inner containers are not regarded as manufactured raw materials which are used or consumed during the manufacturing process of the goods.

This view is taken because the placing of a good into an inner container is not by itself regarded as conferring "manufactured" status. They are regarded as "materials" used to hold the manufactured goods. DMRM applications will not be considered for inner containers.

#### **New Zealand**

New Zealand's Regulations do not treat inner containers as a material. However because of the requirement that a DMRM be approved by both Customs administrations this prevents the NZCS from accepting applications for the determination of inner containers.

#### 13. COSTINGS

Costs should be the most recently available actual costs which are applicable to the final goods. Projected costings for goods which may be imported in the future will not be considered until the costs are established as real costs.

### 14. FURTHER INFORMATION

General information on the ANZCERTA Rules of Origin is available from both Customs Services by way of the joint ACS/NZCS publication ANZCERTA—Rules of Origin—Rules Governing Entitlement to Preferential Rates of Duty for Trans-Tasman Trade.

More information about DMRM's may be obtained from the following addresses:

#### Australia

Direct Contact
Origin Section
Tariff Branch
Australian Customs Service
5 Constitution Avenue
Canberra, ACT 2601

Telephone: 0 2 6275 6666 Facsimile: 0 2 6275 6377

A copy of the report titled ANZCERTA Rules of Origin Review of Determined Manufactured Raw Materials (DMRM) Joint ACS/NZCS Report is also available from the above address.

#### Other written material

Further information is available in Division 9 of Volume 8 of the Australian Customs Manual including a list of raw materials determined as DMRMs. This publication and periodic updates are available to the public by way of subscription by contacting the Distribution Officer, Publications Section of the Australian Customs Service, Canberra. Phone: +61 2 6275 6666, Facsimile: +61 2 6275 5731.

## **New Zealand**

Information about DMRMs, including the list of determined materials, can be obtained from:

National Tariff Advisory Unit New Zealand Customs Service Box 2218 Wellington

Telephone: 04 473 6099 Facsimile: 04 499 7918.

## FOR FURTHER INFORMATION

Contact your nearest office of the New Zealand Customs Service, visit the Customs website www.customs.govt.nz, or call Customs on 0800 428 786 (0800 4 CUSTOMS).

#### **AUSTRALIA**

## Customs Act 1901 Division 1A of Part VIII Section 15J Manufactured goods originating in New Zealand

## Rule for certain goods wholly manufactured in New Zealand 153J.

- (1) Goods claimed to be the manufacture of New Zealand are the manufacture of that country if they are wholly manufactured in New Zealand from one or more of the following:
  - (a) unmanufactured raw products;
  - (b) materials wholly manufactured in Australia or New Zealand or Australia and New Zealand;
  - (c) materials imported into New Zealand that the CEO has determined, by Gazette notice, to be manufactured raw materials of New Zealand.

### Rule for other manufactured goods last processed in New Zealand

- (2) Goods claimed to be the manufacture of New Zealand are the manufacture of that country if:
  - (a) the last process in their manufacture was performed in New Zealand; and
  - (b) having regard to their qualifying area, their allowable factory cost is not less than the specified percentage of their total factory cost.

### Specified percentage

- (3) The specified percentage of the total factory cost of goods referred to in subsection (2) is:
  - (a) unless paragraph (b) applies—50 percent; or
  - (b) if the goods are of a kind for which the CEO has determined, by Gazette notice, that another percentage is appropriate that percentage.

## **NEW ZEALAND**

#### Customs and Excise Regulations 1996. Regulation 33 (1)(b)

- (b) Goods wholly manufactured in Australia, subject to the following conditions:
  - (i) That goods are manufactured in Australia from materials of one or more of the following classes:
    - (A) Unmanufactured raw products:
    - (B) Materials wholly manufactured in Australia, or in New Zealand, or in Australia and New Zealand:
    - (C) Materials determined for the purposes of paragraph 1 (b) (iii) of Article 3 of the Australia New Zealand Closed Economic Relations Trade Agreement, 1983; and
  - (ii) That, in respect of the goods, and subject to regulations 34 and 38 of these regulations, the expenditure by the manufacturer on the materials referred to in paragraph (i) of this regulation is not less than 97 percent of the factory or works costs of the good in their finished state.

(Note: Regulation 34 relates to the calculation of the factory or works cost, while regulation 38 relates to special provisions for the allocation of expenditure on materials.)

#### **DUTY CONCESSIONS IN AUSTRALIA**

## **Commercial Tariff Concession System (CTCS)**

From July 1983 until November 1992 concessional entry was granted under the CTCS.

The criteria for granting a Commercial Tariff Concession Order (CTCO) involved goods serving similar functions being unavailable from local manufacturers in the normal course of business. Many CTCOs remain in place today.

CTCOs may be revoked where it is established that local manufacturers of goods serving similar functions exist.

The revocation of a CTCO takes effect from the date of issue of the revocation order.

### **Tariff Concession System (TCS)**

The TCS replaced the CTCS on 1 November 1992. The TCS is administered in accordance with Part XVA of the Customs Act 1901.

The TCS is a mechanism for granting a Tariff Concession Order (TCO) to allow concessional entry for imported goods where no substitutable goods are produced in Australia.

A feature of the TCS is the introduction of mandatory processing time limits and new procedures for revocations.

TCOs and revocations appear in the Schedule of Concessional Instruments, and electronically through the Customs "Tariff and Precedents Information Network" (TAPIN) computer facility.

All applications for TCOs must be in an approved form, and are published in the Tariff Concessions edition of the Commonwealth Gazette. An application for a TCO must be accepted or rejected by Customs within 28 days of receipt.

A TCO comes into force on the day on which the application was lodged with Customs.

Customs keeps industry informed of Tariff Concession activity, for example, applications lodged, orders made, applications refused, requests for revocation, by way of Gazette notification.

Detailed information on the TCS may be obtained by contacting the Director, Tariff Concessions, Customs House,

5 Constitution Avenue, Canberra, ACT 2601. Phone: 0-2-6275 6666.

# APPLICATION FOR THE APPROVAL OF GOODS AS DETERMINED MANUFACTURED RAW MATERIALS (DMRM)

Please read the Guidance Notes carefully before completing.

Appl	icant	details
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Name:

Business Address:			
Postal Address:			
Your Reference:			
Company Contact:	Position Held:		
Phone Number:	Fax Number:		
Broker/consultant details (if applicable)			
Name:			
Business Address:			
Postal Address:			
Your Reference:			
Company Contact:	Position Held:		
Phone Number:	Fax Number:		
Description of materials and finished goods (provide attachment	s if necessary)		
Description	Classification & Duty Concession Number		
Raw Materials (imported) to be determined (include model no., type, grade, etc.)	Australia	New Zealand	
1.			
2.			
3.			
4.			
Finished Goods (to be exported) (include model no., type, grade, etc.)			
Function That Finished Goods are Intended to Serve			

~~	CTIN	10	ABI	AI	VCI

Accounting period to which costs apply: \_

List of All Materials in Final Product	Country of Manufacture of Material	Into Factory co	Into Factory cost of Materials				
		Aust/NZ	Imported	Imported			
anufacturing wages (per unit) actory overhead costs (per unit) tal cost (5)			Already determined	To Be Determined	Other	Other	
		*\$	*\$	*\$	*\$		
		(	(1)	(2)	(3)	(	
. ,							
Inner containers (per unit)			Express (4	) as a Percentage of	(5)		
Manufacturing wages (per un	it)			X 100 =	%		
Factory overhead costs (per u	nit)						
Total cost (5)							
* Indicate whether \$A or \$NZ	7_	<u>'</u>					
Ι,		Position Held:					
Company:							
declare that:							
1. To the best of my kr	nowledge and belief the information	contained in this subm	nission is correct				
2. I have authority to a	act on behalf of the company.						
Signature of Applicant/Agent	/Broker:						
Date:							

#### **GUIDANCE NOTES**

#### General

This application should be completed by the exporter of the final product (or his/her agent) and be forwarded to the Customs administration in the country of export.

The criteria for the granting of a DMRM are set out in the Explanatory Note to Article 3 of ANZCERTA (Appendix 1) and in the Annex to the Explanatory Note which details the procedures of each administration (Appendix 2). The core criteria in both countries are similar in that they rely on the material being duty free or subject of a minimum rate of duty through the application of a Tariff Concession. It is therefore necessary before applying for a DMRM to ascertain whether the materials are duty free in both Australia and

New Zealand and, if not, to obtain a tariff concession (TC) prior to the lodgement of a DMRM application. The finished goods must also attract duty.

A separate application form is to be completed for each final product to be exported.

If there is insufficient space on the application form attachments should be provided with cross references to the form.

Please supply reasons why any of the requested information has not been provided otherwise the application may be rejected.

All raw materials, the subject of a DMRM application, must undergo a process of manufacture in the production of the final product. If the raw materials do not undergo any such process they cannot be considered for DMRM status.

### **Confidentiality**

In accordance with its statutory responsibilities Customs undertakes to respect the confidentiality of any information provided. To assist this process, documents which are confidential should be so labelled.

## Description of Materials and Finished Goods

Wherever possible generic descriptions and not brand names are to be used to describe the raw materials, but the brand name should also be supplied. If it is not possible to supply a generic name reasons must be supplied.

The description of both the raw materials and finished goods should include model no., type, style, grade, etc.

On a separate sheet please provide a brief description of how the final goods are manufactured.

ACS Manual Volume 13 Appendix H has guidelines to assist in drafting TCs which may also be used to assist in drafting DMRM descriptions.

Where the raw materials are subject to a duty concession the description of the proposed DMRM should, as much as possible, be in accordance with the wording of the concession and should not be any broader.

## **Tariff Classification**

As well as the description of goods, the applicant must advise the 8 figure tariff classifications that in his/her opinion applies to both the raw materials to be determined and the finished goods, in both countries.

Any relevant duty concession reference numbers must be quoted.

Adequate technical data must be provided to enable Customs to verify the tariff classification of the goods to be determined and the finished goods. Submission of an Australian Customs Service (ACS) Tariff Advice (TA) and a New Zealand Customs Service (NZCS) Tariff Ruling (TR) is encouraged by both administrations as it will greatly reduce processing times.

### **Descriptive Matter**

Please provide sufficient technical matter, illustrative descriptive material and/or samples to enable an accurate understanding of the identity of the materials for which a DMRM is sought and the goods which are to be exported.

## **COSTING ANALYSIS**

#### General

Costs should be actual and the most recently available which are applicable to the finished goods. For a determination to be issued for a material the final product must achieve "WhollyManufactured" status. This

"WhollyManufactured" status. This means 100 percent of the sum of the costs of "Aust/NZ" materials, "Already Determined" materials, "To Be Determined" materials, factory labour, factory overheads and inner containers. However the 100 percent "Wholly Manufactured" status is administered with a "tolerance" of 3 percent . This tolerance is allowed for by the use of the column "other".

#### **Definitions**

#### Cost of Materials

"Aust/NZ" origin raw materials are those which have 100 percent Australian or New Zealand content. If raw materials are claimed to be of Australian or New Zealand origin evidence should be provided.

"Imported" covers the costs of all those materials not "Aust/NZ".

"Already Determined" covers the costs of materials of those goods shown on the "List Of Determined Materials". The appropriate reference number should be quoted, where possible.

"To Be Determined" covers goods the subject of the application.

"Other" covers the costs of any raw materials not listed above. If the costs of these exceed 3 percent of the "Total Cost" the application will be rejected.

**Total Cost:** In Australia—Total Factory Cost; In New Zealand—Total Factory & Works Cost

Inner Containers: Include any containers into which any finished goods are packed other than pallets, containers or similar articles which are used by carriers for cargo conveyancing. Under Australian legislation, inner containers are regarded as "a material" and are costed as a material. However, inner

containers are not regarded as manufactured raw materials which are used or consumed during the manufacturing process of the goods. This view is taken because the placing of a good into an inner container is not by itself regarded as conferring "manufactured" status. They are regarded as "materials" used to hold the manufactured goods. As such DMRM applications will not be considered for inner containers. New Zealand's Regulations do not define inner containers as a material however because of the requirement that a DMRM be approved by both Customs administrations this prevents the NZCS from accepting applications for the determination of inner containers.

Manufacturing Wages and Factory Overhead Costs: For further details refer to the Joint ACS/NZCS publication ANZCERTA Rules Governing Entitlement to Preferential Rates of Duty for Trans-Tasman Trade.

## **INFORMATION SOURCES**

Customs may require that information submitted in response to this questionnaire be substantiated and may require a visit to the applicant's premises for this purpose.

#### REFERENCE MATERIAL

ACS Manual Volume 8 Division 9 and the Joint ACS/NZCS publication ANZCERTA Rules Governing Entitlement to Preferential Rates of Duty for Trans-Tasman Trade contain further information.

## Contacts and Lodgement of Applications

Australia: Origin Section

Tariff Branch Australian Customs Service 5 Constitution Avenue Canberra ACT 2600 Phone: 0 2 6275 6666 Fax: 0 2 6275 6377.

New Zealand: National Tariff

Advisory Unit

New Zealand Customs

Service Box 2218 Wellington

Phone: 0 4 473 6099 Fax: 0 4 499 7918.

Commonwealth of Australia Gazette No TC 96/10 13 March 1996 Determined Manufactured Raw Materials

#### **CUSTOMS ACT 1901 - SECTION 153J**

## AUSTRALIA NEW ZEALAND CLOSER ECONOMIC RELATIONS TRADE AGREEMENT APPLICATION FOR THE APPROVAL OF GOODS AS DETERMINED MATERIALS

Notice is hereby given that application has been made for approval of goods, described hereunder, to be determined as manufactured raw materials in accordance with paragraph 153J(1)(c) of the Customs Act 1901.

Any person or company wishing to lodge an objection to Australia supporting these applications should do so in writing on or before 3 April 1996. Such objections should be addressed to Senior Inspector Origin Section, Tariff & Valuation Branch Australian Customs Service, Canberra, ACT 2601, and be supported by information as to the quality, range, supply, etc. of identical goods, or of substitutable goods, produced in Australia.

## APPLICATION NO 96/1 Goods

**Fabric**, non-woven, spunbonded, composed of 100 percent high density polyethylene fibres, having ALL of the following:

- (a) thickness NOT less than 80 micron and NOT exceeding 340 micron;
- (b) weight NOT less than 50gsm and NOT exceeding 115gsm;
- (c) tensile strength NOT less than 100 N/2.54cm machine direction (MD) and NOT less than 126 N/2.54cm cross direction (XD);
- (d) elongation NOT less than 14 percent machine direction (MD) and NOT less than 17 percent cross direction (XD)
- (e) thermal coating one side only

Any inquiries regarding this Notice should be directed to Ray Gunning, Assistant Director Origin Section on telephone (02) 6275 5971 or by facsimile on (02) 6275 6477.

**Tariff Classification** 

5603. 00. 00 (TC 9510756) CUSTOM EDITION 977
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# AUSTRALIA – NEW ZEALAND CLOSER ECONOMIC RELATIONS TRADE AGREEMENT APPLICATION FOR APPROVAL OF GOODS AS DETERMINED IMPORTED MATERIALS – NOTICE 1993/4

NOTICE is hereby gien that application is to be made to Australia for the approval of the goods, described in the Schedule hereto, as determined import materials in accordance with Australian legislation relating to the rules governing the origin of goods "wholly manufactured".

Any person wishing to lodge an objection to New Zealand determining this application, should do so in writing on or before 28 April 1993. Submissions should include a reference to the application number, tariff item, and description of goods concerned, be addressed to the Regional Collector of Customs, Central Region, PO Box 2218, Wellington, for the attention of The National Tariff Advisory Unit, and be supported bu information as to the quality, range, supply etc. of the goods or suitable alternatives produced in New Zealand.

#### **SCHEDULE**

Application Number	Tariff Item	Goods
4.1 4.2	2933.39.00 2922.11.00	Clopyralid Monothanolamine
4.2	2922.11.00	Tri-isopropanolamine
4.3	2722.17.00	111-isopropanoiainine

Dated at Wellington this 31st day of March 1993

G. W. Ludlow Comptroller of Customs

Commonwealth of Australia Gazette No. TC 97/ 9 Wednesday, 5 March 1997 Determined Manufactured Raw Materials 66

#### **CUSTOMS ACT 1901 - SECTION 153**

# AUSTRALIA NEW ZEALAND CLOSER ECONOMIC RELATIONS TRADE AGREEMENT DETERMINED MANUFACTURED RAW MATERIALS

## **NOTICE NO. 1997/1**

I, Richard John Janeczko, National Manager Tariff and Valuation Branch, Commercial Services Division, pursuant to paragraph 153J(1)(c) of the Customs Act 1901, determine the following materials to be manufactured raw materials

GoodsTariff ClassificationHydroxyalkyl Amide2924.10.00

This determination is effective from 24 December 1996.

Dated at Canberra this day of February 1997.

Richard Janeczko

(Delegate of the Chief Executive Officer of Customs)

NEW ZEALAND GAZETTE 2804

No.128

Australia/New Zealand closer economic relations trade agreement rules of origin – determination of imported material

Notice 1992 -3

In terms of Regulation 70(b)(iii) of the Customs Regulations 1968, "Goods Wholly Manufactured in Australia", The following have been determined:

Flumetsulam Technical Haloxyfop Technical

This determination is effective from 21 June 1992 Dated at Wellington this 10th day of August 1992

> G. W. Ludlow Comptroller of Customs

## GUIDE TO AUSTRALIAN MANUFACTURERS REQUESTING REVOCATION OR AMENDMENT OF DETERMINED MANUFACTURED RAW MATERIALS (DMRM) INSTRUMENTS

Requests to revoke or amend DMRM'S must contain the following details:

- File Number (where it is listed in ACS Manual Vol 8 Division 9 Appendix 9:10)
- Details of the goods being produced
- Brochures, photographs, or the like and descriptive matter relating to the goods
- A suggested wording if it is proposed that the wording of the existing instrument is narrowed
- Date production commenced
- Date ability to accept orders occurred
- Brief description of the manufacturing process (at least one substantial process of manufacture must be carried out in Australia before a producer may be classed as a local manufacturer)
- Annual production capacity and capacity utilisation
- Factory or works cost broken down per unit as follows:
  - (i) Australian materials
  - (ii) Imported materials
  - (iii)Australian labour
  - (iv) Australian factory overhead
- Australian content expressed as a percentage of total factory cost (to be classed as a local manufacturer, producers must have at least 25 percent local content)
- Details of the market into which the goods are sold, or are intended to be sold, and the reasons why it is considered that the local goods compete with the imported goods the subject of the DMRM and therefore serve similar functions
- Annual sales of the particular goods in question, if any
- List of customers who have purchased the local goods, or would do so but for the existence of the DMRM.

Note: New Zealand manufacturers requesting revocation or amendment of DMRMs will be required to provide similar details to the New Zealand Customs Service.

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COSTONISTACT STILL 22		

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