



INFORMATION SHEET:

AGREEMENT BETWEEN NEW ZEALAND SINGAPORE ON A CLOSER ECONOMIC PARTNERSHIP (ANZSCEP)

INFORMATION GUIDE

This information guide is a general guide on the rules of origin for goods traded between New Zealand and Singapore under the revised Closer Economic Partnership. The agreement originally came into force in January 2001 and was revised in 2019. The *Protocol to Amend the Agreement between New Zealand and Singapore on a Closer Economic Partnership* (the Protocol) was signed on 15 May 2019 and comes into force on 1 January 2020.

Full terms of the agreement with regard to the rules of origin can be found in Chapter 3 and the associated Annexes (3.1 and 3.2) of the Protocol. These provisions are incorporated by reference into domestic legislation in the Customs and Excise Regulations 1996.

WHAT DOES ANZSCEP PROVIDE?

The ANZSCEP provides for preferential rates of tariff duty on originating goods traded between New Zealand and Singapore.

Singapore is also Party to the ASEAN-Australia New Zealand Free Trade Area Agreement (AANZFTA), the Trans-Pacific Strategic Economic Partnership (P4.) and the Comprehensive and Progressive Trans-Pacific Partnership Agreement (CPTPP).

The rules of origin under the 2000 ANZSCEP agreement have become increasingly overtaken by more trade facilitating rules in the other agreements noted above, in which both New Zealand and Singapore are participants.

The rules of origin provisions under the new ANZSCEP Protocol take the most trade facilitating rules across these agreements and incorporate them into the new PSR schedule under the Protocol. In particular, the Protocol replaces the 40% ex-works cost area content rules (and associated quality control and testing provisions) with a schedule of Product Specific Rules (PSR). These rules offer on a product-by-product basis, a specified change in tariff classification (CTC) rule and where appropriate a regional value content or specific process as alternative rules.

WHAT ARE ORIGINATING GOODS?

For the purpose of ANZSCEP, a good imported into New Zealand from Singapore, or exported from New Zealand into Singapore, is considered an originating good if it is:

- wholly obtained or produced in Singapore or New Zealand; these are generally primary
- products grown or mined etc. in either Singapore or NZ
- produced entirely in Singapore or New Zealand, or in both parties, by one or more producers exclusively from originating materials from Singapore and/or New Zealand; these goods may use New Zealand or Singaporean materials or also include materials from another country provided those materials are transformed into an originating material at an earlier stage of production

or

- produced in Singapore or New Zealand, or in both parties, by one or more producers using non-originating materials provided they meet the product specific requirement (such as a specified change in tariff classification (CTC), a Regional Value Content (RVC) or specific process rule as specified in Annex 3.1 (Product Specific Rules Schedule)) of the Protocol.

THE PRODUCT SPECIFIC RULE (PSR) REQUIREMENTS

Annex 3.1 of the Protocol sets out what non-originating content can be used in the production of any good for it to qualify for preferential treatment.

- The most common rule is the change in tariff classification rule which allows for non-originating input materials to be used providing the tariff classification of the final good is different from all the non-originating inputs and the input materials are not classified in the tariff reference set out in the rule.
- RVC rules set a value add threshold and are an alternative option to a CTC rule. The threshold is either 40% FOB calculated on a build-down basis or 30% FOB calculated on a build-up basis. Details on how to calculate the RVC are contained in Article 3.5.1 of the Protocol.

CAN GOODS BE TRANSPORTED THROUGH A NON-PARTY?

Yes, the good can be transported through a non-Party provided it does not undergo any operation in that non-Party other than: unloading; reloading; separation from a bulk shipment; storing; labelling or marking required by either Singapore or New Zealand; or any other operation necessary to preserve it in good condition or to transport it to Singapore or New Zealand.

DOCUMENTATION AND ADMINISTRATIVE REQUIREMENTS

Documentary evidence of origin

Claims for preferential tariff treatment are based on a written or electronic declaration or certification completed by the exporter, producer or importer or an authorised representative acting on their behalf. The certification or any other relevant information attesting to the origin of the goods must be made available on request.

Unless such information already appears on the export invoice or other entry documentation, the certification shall also include:

- a full description of the good(s) sufficient to relate it to the good(s) covered by the certification;

- six digit Harmonized System Code for the respective good(s);
- the exporter's name and address;
- the producer's name(s) if known (if the producer is not the exporter);
- the importer's name(s) in respect of imported goods, if known;
- the rule of origin under which the declarant claims the good(s) qualifies;
- date of the origin declaration; and
- in the case of a blanket declaration issued for multiple shipments, the period that the origin declaration covers.

There is no prescribed format for the documentation but traders may use the guidance template provided in Annex 3.2 if they so wish.

Notes:

1. The Singapore Customs administration or New Zealand Customs may request any additional information considered necessary to ensure satisfaction with the origin of the good being imported.
2. An origin declaration can apply to either a single importation or multiple importations of identical goods within a 12-month period.
3. A New Zealand exporter or producer who signs an origin declaration must keep all relevant records for seven years.

Advance rulings on origin and tariff classification

Advance rulings on tariff classification, origin and the application of methods or criteria for determining customs valuation are available from the New Zealand and Singapore Customs administrations prior to the importation of the goods. Any person may apply for an advance ruling. Article 4.5 sets out the details and timeframes for advance rulings.