

[**CUSTOMS MEMORANDUM ORDER NO. 14-2018,
September 21, 2018**]

**GUIDELINES ON THE IMPLEMENTATION OF THE FREE TRADE
AGREEMENT BETWEEN THE EUROPEAN FREE TRADE
ASSOCIATION AND THE PHILIPPINES**

*Adopted: 17 September 2018
Date Filed: 21 September 2018*

Section 1. Scope

This order shall govern the implementation guidelines set out in Annex 1 (Rules of Origin) of the Free Trade Agreement between the States of the European Free Trade Association and the Philippines (hereinafter referred to as the PH-EFTA FTA).

Section 2. Objectives

- 2.1 To facilitate the processing of importations and exportations of Goods coming to and from the Party under PH-EFTA FTA.
- 2.2 To provide procedure for granting preferential treatment on Goods covered by an Origin Declaration; and
- 2.3 To establish appropriate mechanism in accrediting exporters/producer/manufacturer as "Approved Exporter".

Section 3. Definition of Terms. For the purpose of this CMO, the following terms are defined accordingly:

- 3.1 **Approved Exporter** - a producer, manufacturer, or trader authorized by the respective customs authority of the Parties, which is the BOC to complete Origin Declarations without signature after complying with the requirements set out in Section 5.1.
- 3.2 **Customs Authorization Number** - the number that will be given to an Approved Exporter, which shall be indicated in the Origin Declaration in lieu of the signature.
- 3.3 **Export Coordination Division (ECD)** - the division under the Assessment and Operations Coordinating Group (AOCG) of the BOC which shall process the applications for Approved Exporters and conduct audit in relation to the suspension of the same.
- 3.4 **Exporter** - a natural or juridical person bringing goods out of the territory of a Party.

3.5 **Importer** - a natural or juridical person bringing goods into the territory of a Party.

3.6 **Non Approved Exporter** - a producer, manufacturer or trader other than approved exporter that can make an Origin Declaration.

3.7 **Origin Declaration** - the proof of origin required under the PH-EFTA FTA in the form of a declaration set out in Section 4.4 sufficient to ascertain the originating status of goods. The declaration must be completed on an invoice, packing list, delivery note or any other relevant commercial document that identifies the exporter and the originating goods

3.8 **Party or Parties** - the Philippines, Iceland, Norway or the customs territory of Switzerland. Due to the customs union between Switzerland and Liechtenstein, goods originating in Liechtenstein shall be considered as originating in Switzerland.

3.9 **Preferential Rate Unit (PRU)** - the unit the BOC's Formal Entry Division (FED) or its equivalent unit in all ports, which shall evaluate the completeness and validity of Origin Declaration submitted by importers.

3.10 **Product Evaluation Report** - a document given to exporters that contains the result of the evaluation on export products after complying with requirements of the BOC.

3.11 **Rules of Origin** - refers to Annex I of the PH-EFTA FTA providing for the rules to determine the originating status of goods and the procedures to claim preferential tariff treatment on goods originating from the Parties.

Section 4. General Provisions.

4.1 Exporters to EFTA shall be allowed to make an Origin Declaration as Proof of Origin in accordance with Section 5.

4.2 Representatives of an exporter shall be allowed to make origin declaration upon submission of the exporter's written authorization.

4.3 Importers sourcing from EFTA States shall be allowed to claim preferential tariff treatment to originating goods on the basis of the Origin Declaration.

4.4 The Origin Declaration set out below must be completed in English, in legible and permanent form, by the exporter for goods originating in a Party:

"The exporter of the goods covered by this document (customs authorisation No...) declares that, except where otherwise clearly indicated, the goods satisfy the Rules of Origin to be considered as originating under

the PH- EFTA FTA (Country of Origin:.....)

**Place and Date
Signature above the Printed Name
of the Authorised Signatory**

4.5 An Approved Exporter is not required to sign the Origin Declaration but must instead indicate the Customs Authorization Number. A non-Approved Exporter must affix his/her signature above the printed name and leave the field on "Customs Authorization Number" blank.

4.6 The place and date when the Origin Declaration was completed may be omitted if already contained in the document where such declaration was printed.

4.7 The Customs Authorization Number for approved exporters shall be submitted to the EFTA Secretariat.

4.8 The country of origin of the goods must be indicated in the Origin Declaration (Philippines, Iceland, Norway or Switzerland and the use of ISO-Alpha-2 codes is permitted. Reference may be made to a specific column of the invoice packing list, delivery note or any other relevant commercial document that identifies the exporter and the originating goods in which the country of origin of the goods are referred to.

4.9 The Origin Declaration must be completed on an invoice, packing list, delivery note or any other relevant commercial document that identifies the exporter and the originating goods, and must bear either the Customs Authorization Number or the original signature of the exporter, as set out in Section 5 of this Order.

Section 5. Operational Provisions

5.1 Application for Philippine "Approved Exporter"

5.1.1 Producers, Manufacturers, or Traders may submit in writing or electronically to the Deputy Commissioner of AOCG, through the ECD, its intention to be accredited as an "Approved Exporter" together with the following documents, to wit:

- a) Latest Income Tax Return
- b) Unique Reference Number (URN) as PEZA locators and Client Profile Registration System (CPRS) for non-PEZA locators
- c) Business Permit/s
- d) SEC/DTI registration, whichever is applicable
- e) Product Evaluation Report, if applicable

5.1.2 Those applying as Approved Exporters who are not manufacturers or producers must have knowledge on how the goods were manufactured or produced and how these satisfy the ROO requirements to make an origin declaration under the EFTA-PH FTA.