

**Agreement between Japan and the Republic of the Philippines
for an Economic Partnership
Operational Procedures referred to in Chapter 2 (Trade in Goods),
Chapter 3 (Rules of Origin) and Chapter 6 (Mutual Recognition)**

SECTION 1 TRADE IN GOODS

Part 1 Schedule of Japan

The operational procedures in this part should be applied to the pertinent provisions in Schedule of Japan in Annex 1 of the Agreement between Japan and the Republic of the Philippines for an Economic Partnership (hereinafter referred to as “the Agreement”).

Chapter I Inabaniko, Lakatan, Latundan, Morado, Pitogo, Saba or Seniorita bananas (hereinafter referred to as “small bananas”)

Rule 1: Certificate for small bananas

1. Importers who claim the preferential tariff treatment for small bananas should provide the customs authority of Japan with a certificate for small bananas referred to in the note in column 2 of tariff item number 0803.00 in Section 2 of Part 2 of Annex 1 of the Agreement (hereinafter referred to as “certificate for small bananas”).
2. A certificate of origin referred to in Article 41 of the Agreement issued in the Philippines, a format of which is attached in Appendix 1-A, should also serve as a certificate for small bananas when:
 - (1) the variety of the small bananas is specified in field 4 of the certificate of origin; and
 - (2) the certificate number of the Phytosanitary Certificate for the small bananas, a format of which is attached in Appendix 2, issued by the Bureau of Plant Industry, Department of Agriculture of the Philippines (hereinafter referred to as “BPI”) is indicated in the field 8 of the certificate of origin. A Phytosanitary Certificate should specify the variety of banana in the field of additional declaration.
3. A certificate for small bananas should be issued for each export upon application by the exporter or its authorized agent. When applying for a certificate for small bananas, the exporter or its authorized agent should present a copy of the Phytosanitary Certificate for the small bananas certified by the BPI with its official stamp and required documents for issuance of the certificate of origin for the small bananas.

4. Notwithstanding paragraphs 2 and 3, in case that the importation of a consignment of small bananas whose aggregate customs value does not exceed two hundred thousand yen or its equivalent amount in United States dollars, a copy of the Phytosanitary Certificate for the small bananas certified by the BPI with its official stamp may serve as a certificate for small bananas. In this case, the importer should provide the certificate for small bananas only if the customs authority of Japan requests it.

Rule 2: A sample of a certificate for small bananas, specimen signatures and impressions of stamps

Upon the date of adoption of this Operational Procedures, the BPI should provide the Embassy of Japan in the Philippines with a sample of a certified copy of a Phytosanitary Certificate, the specimen signatures and impressions of stamps used for its issuance, as well as upon their modification thereafter.

Rule 3: Period of validity

1. A certificate for small bananas, except in the case of paragraph 2, should be valid as long as it is valid as a certificate of origin.
2. In the case that a certified copy of a Phytosanitary Certificate serves as a certificate for small bananas, as stipulated in paragraph 4 of Rule 1, the certificate for small bananas should be valid for one year from the date on which it was issued.

Rule 4: Record keeping

The Bureau of Customs of the Philippines (hereinafter referred to as “BOC”) and the BPI should keep a record of a certificate for small bananas for a period of five years after the date on which it was issued.

Rule 5: Checking the authenticity or accuracy of certificate for small bananas

1. The customs authority of Japan or the Ministry of Agriculture, Forestry and Fisheries of Japan (hereinafter referred to as “MAFF”) may request the BOC and the BPI to check the authenticity or accuracy of the certificate for small bananas.

2. The focal points for checking the authenticity or accuracy of the certificate for small bananas are:

- in the case of Japan, Customs and Tariff Bureau of Ministry of Finance and International Affairs Department of MAFF; and
- in the case of the Philippines, Export Coordinating Division, Office of the Commissioner of the BOC and Plant Quarantine Service of the BPI .

Both sides should notify each other any change of the above focal point within 30 days after such change.

3. The request by the customs authority of Japan or the MAFF to check the authenticity or accuracy of the certificate for small bananas and the response by the BOC or the BPI to such request should be communicated in writing when the request is sent through the Embassy of Japan in the Philippines, the receipt of which should be immediately confirmed by the BOC or the BPI. In this case, the response by the BOC or the BPI should be made within 30 days of the receipt of the request.

4. In case the customs authority of Japan or the MAFF finds, upon ocular inspection or spot checking, that the variety of good for which a certificate for small bananas was issued is not the type of “small bananas” referred to in the Agreement or identified in the certificate, and the MAFF decides to conduct a verification analysis, the MAFF should promptly notify the BPI of its intention to conduct the verification analysis in order to specify the variety thereof. For this purpose, the MAFF should provide the BPI with the information which enables the BPI to identify the issued certificate through diplomatic channels for the latter to conduct its own investigation. Should the findings of the analysis by the MAFF prove that the shipped goods are not small bananas, the MAFF should promptly provide the BPI with the copy of the result. The BPI should likewise furnish the MAFF with the results of its own investigation.

5. If many certificates for small bananas are found suspicious, or some other serious issues arise, the Sub-Committee on Trade in Goods, or if appropriate, the Sub-Committee on Rules of Origin may discuss those matters.

6. The BOC, the BPI, the customs authority of Japan and the MAFF should take necessary measures to prevent the falsification of certificates for small bananas.

Chapter II Fermented beverages prepared from aratiles, bananas, bignay, calamansi, coconuts, coffee, dalandan, guavas, Java plum, kehapi, mangoes, mangosteens, marang, passionfruit, pineapples, soursop, strawberries, sugarapples or tamarind (hereinafter

referred to as “tropical fruit wine”)

Rule 1: Certificate for tropical fruit wine

1. Importers who claim the preferential tariff treatment for tropical fruit wine should provide the customs authority of Japan with a certificate for tropical fruit wine referred to in the note in column 2 of tariff item number 2206.00 in Section 2 of Part 2 of Annex 1 of the Agreement (hereinafter referred to as “certificate for tropical fruit wine”).
2. A certificate of origin referred to in Article 41 of the Agreement issued in the Philippines, a format of which is attached in Appendix 1-A, should also serve as a certificate for tropical fruit wine when:
 - (1) the kind of tropical fruit/s used for the tropical fruit wine is specified in field 4 of the certificate of origin: and
 - (2) the certificate number of the certificate, a format of which is attached in Appendix 3, issued by the Industrial Technology Development Institute, Department of Science and Technology of the Philippines (hereinafter referred to as “ITDI Certificate”) is indicated in field 8 of the certificate of origin. An ITDI Certificate should specify tropical fruit/s used for the tropical fruit wine and brand/product name in the field of product description.
3. A certificate for tropical fruit wine should be issued for each export upon an application by the exporter or its authorized agent. The exporter or its authorized agent should submit the ITDI Certificate to the BOC upon the application for a certificate for tropical fruit wine. The BOC should issue a copy of the ITDI Certificate with its official stamp and keep the ITDI Certificate. Thereafter when the BOC issues a certificate for tropical fruit wine with the same brand/product name upon an application by the same exporter or its authorized agent, the BOC issues a copy of the ITDI Certificate with its official stamp.
4. Notwithstanding paragraph 2 and 3, in case that the importation of a consignment of tropical fruit wine whose aggregate customs value does not exceed two hundred thousand yen or its equivalent amount in United States dollars, a copy of the ITDI Certificate certified by the BOC with its official stamp may serve as a certificate for tropical fruit wine. In this case, the importer should provide the certificate for tropical fruit wine only if the customs authority of Japan requests it.

Rule 2: A sample of a certificate for tropical fruit wine, specimen signatures and impressions of stamps

Upon the date of adoption of this Operational Procedures, the BOC should provide the Embassy of Japan in the Philippines with a sample of a certified copy of an ITDI Certificate, the specimen signatures and impressions of stamps used for its issuance, as well as upon their modification thereafter.

Rule 3: Period of validity

1. A certificate for tropical fruit wine, except in the case of paragraph 2, should be valid as long as it is valid as a certificate of origin.
2. In the case that a certified copy of an ITDI Certificate serves as a certificate for tropical fruit wine, as stipulated in paragraph 4 of Rule 1, the certificate for tropical fruit wine should be valid for one year from the date on which it was issued.

Rule 4: Record keeping

The BOC should keep a record of a certificate for tropical fruit wine for a period of five years after the date on which it was issued.

Rule 5: Checking the authenticity or accuracy of the certificate for tropical fruit wine

1. The customs authority of Japan may request the BOC and the ITDI to check the authenticity or accuracy of the certificate for tropical fruit wine.
2. The focal points for checking the authenticity or accuracy of the certificate for tropical fruit wine are:
 - in the case of Japan, Customs and Tariff Bureau of Ministry of Finance; and
 - in the case of the Philippines, Export Coordinating Division, Office of the Commissioner of the BOC and Standards and Testing Division of the ITDI .Both sides should notify each other any change of the above focal points within 30 days after such change.

3. The request by the customs authority of Japan to check the authenticity or accuracy of the certificate for tropical fruit wine and the response by the BOC or the ITDI to such request should be communicated in writing when the request is sent through the Embassy of Japan in the Philippines, the receipt of which should be immediately confirmed by the BOC or the

ITDI. In this case, the response by the BOC or the ITDI should be made within 30 days of the receipt of the request.

4. In case the customs authority of Japan finds that the good identified in a certificate for tropical fruit wine is not fermented beverages referred to in the note in column 2 of tariff item number 2206.00 of Section 2 of Part 2 of Annex 1 of the Agreement, the customs authority of Japan may not accord to the good preferential tariff treatment for tropical fruit wine. The decision should be promptly notified to the BOC or the ITDI through the diplomatic channels.

5. If many certificates for tropical fruit wine are found suspicious, or some other serious issues arise, the Sub-Committee on Trade in Goods, or if appropriate, the Sub-Committee on Rules of Origin may discuss on those matters.

6. The BOC, the ITDI and the customs authority of Japan should take necessary measures to prevent the falsification of a certificate for tropical fruit wine.

Part 2 Schedule of the Philippines

Chapter I Tariff rate quota (TRQ)

Rule: Note 2 in Section 1 of Part 3 of Annex 1 referred to in Chapter 2

1. The Government of the Republic of the Philippines will operate the TRQ on the basis of its relevant laws, rules, regulations and policies.

2. The Government of the Republic of the Philippines should notify the Government of Japan whenever the procedures for administration of the TRQ set forth in the Implementing Rules and Regulations (IRR) need to be amended.

SECTION 2 RULES OF ORIGIN

Rule I: Fungible goods and materials

The inventory management method referred to in paragraphs 1 and 2 of Article 35 should be subject to the Generally Accepted Accounting Principles in the exporting Party.

Rule 2: Issuance of a certificate of origin

1. A certificate of origin should be on ISO A4 size paper in conformity with the specimen shown in Appendix 1-A and should be referred to as Form JP.
2. The Harmonized System (HS) tariff classification number as amended on 1 January 2002 should be indicated at the six-digit level and the description of the good should be sufficient to relate to the description of invoice and to the HS description of the good in the certificate of origin.
3. A certificate of origin issued by the competent governmental authority or its designees of exporting Party should comprise one original. In the Philippines, additional copies may be issued in accordance with its regulations.
4. A certificate of origin should bear a reference number given by the competent governmental authority or its designee.
5. Generally, a certificate of origin should be issued by one day after the date of shipment.
6. In exceptional cases where the certificate of origin has not been issued by one day after the date of shipment, at the request of the exporter or its authorized agent, the certificate of origin may be issued retroactively in accordance with the laws and regulations of the exporting Party within 12 months from the date of shipment, in which case it is necessary to specify “ISSUED RETROACTIVELY.” In such cases, the importer of the good who claims the preferential tariff treatment may, subject to the laws and regulations of the importing Party, provide the customs authority of the importing Party with the certificate of origin issued retroactively. The certificate of origin which is issued retroactively should indicate the date of shipment.
7. Multiple items declared on a certificate of origin, should be accepted, provided that each item should be qualified as an originating good.
8. Signatures of the representatives of the competent governmental authority or its designees may be autographed or electronically printed.

Rule 3: Application

A declaration for requesting a certificate of origin should be completed by the exporter or its authorized agent. The exporter or its authorized agent's signature may be autographed or electronically printed.

Rule 4: Modification

1. The exporter should request the reissuance of certificate of origin if a certificate of origin contains incorrect information.

2. Notwithstanding paragraph 1, the competent governmental authority or its designees of the exporting Party may, in response to the request of reissuance referred to in paragraph 1 or at its own initiative, make modification on the certificate of origin by striking out the errors and making any addition required. Such modification should be certified by authorized signature and seal of the competent governmental authority or its designees of the exporting Party.

3. Erasures, superimpositions and modifications other than those referred to in paragraph 2 are not allowed on the issued certificate of origin.

4. In the event of theft, loss or destruction of a certificate of origin;

(a) in the Philippines, the exporter or its authorized agent may request the competent governmental authority or its designees to issue a certified true copy of the original to be made out on the basis of the export documents in its possession bearing the endorsement of the words "CERTIFIED TRUE COPY" stamped on the certificate of origin. This copy should bear the date of issuance of the original certificate of origin. The certified true copy of the certificate of origin should be issued no later than one year from the date of issuance of the original certificate of origin. The certified true copy of a certificate of origin should be valid during the original term of the validity of the original certificate of origin.

(b) in Japan, the exporter or its authorized agent may request the competent governmental authority or its designees to issue a new certificate of origin with a new reference number on the basis of the export documents in their possession, in which case the original certificate of origin should be cancelled. The new certificate of origin should indicate the date of issuance and the reference number of the original certificate of origin. The new certificate of origin should be valid during the original term of the validity of the original certificate of origin.

Rule 5: Minor error

1. The customs authority of the importing Party should accept minor errors, discrepancies or omissions on its fulfillment, in cases such as:

- typing errors, when there are no doubts that the information included in one or more fields of the certificate of origin is accurate; or
- the information that appears to surpass the space available in the field

2. For multiple items declared in a certificate of origin, a problem concerning one or more of the items listed should not affect or delay the granting of preferential tariff treatment and customs clearance of the remaining items listed in the certificate of origin.

Rule 6: Single shipment

For the purposes of paragraph 6 of Article 41, two or more invoices for a single shipment should be accepted by the customs authority of the importing Party.

Rule 7: Invoice of a non-Party

1. The customs authority of the importing Party may accept a certificate of origin in cases where the invoice is issued either by a natural person or juridical person located in a non-Party, provided that the good qualifies as an originating good of the exporting Party.

2. In the case above, the exporter of the goods should indicate in the certificate of origin “non-party invoicing”, identifying the full legal name and address of the natural person or juridical person issuing the invoice of non-Party.

Rule 8: A certificate of origin, including description of goods which is not subject to preferential tariff treatment

In cases where some goods not subject to preferential tariff treatment are listed in a certificate of origin together with goods subject to preferential tariff treatment, the certificate of origin is valid only for goods subject to preferential tariff treatment.

Rule 9: Information on certificate of origin

The Parties should provide each other with a sample of the certificate of origin, the names, office addresses and specimen signatures of the authorized officials or persons, and impressions of stamps used for the issuance of a certificate of origin, as well as their modifications thereafter.

- For Japan, it is the Embassy of Japan in the Philippines which should provide the aforementioned information to the Philippine Bureau of Customs.
- For the Philippines, the Bureau of Customs should provide the abovementioned information to the Embassy of Japan in the Philippines.

Rule 10: Communication

1. For the purposes of the verification process stipulated in Articles 43 through 45, any communication between the competent governmental authority of the exporting Party and the customs authority of the importing Party should be made through the Embassy of Japan in the Philippines. Such communication should be made by any method with a written confirmation of receipt.

2. The direct communication between the competent governmental authority of the exporting Party and the customs authority of the importing Party may be made by facsimile or electronic mail in parallel with the communication set out in paragraph 1.

3. The period for providing the response pursuant to paragraph 2 of Article 43 and paragraphs 5 and 6 of Article 44 should commence from the date of the confirmation of receipt of the request by the competent governmental authority of the exporting Party.

Rule 11: Goods in Transit or Storage

Preferential tariff treatment for the originating goods which are in transit or in temporary storage in bonded area on the date of entry into force of this Agreement, should be accorded subject to the submission of a certificate of origin issued retroactively to the customs authority of the importing Party in accordance with its laws and regulations.

Rule 12: Focal points of Administrative offices

1. The focal point of the competent governmental authority of the exporting Party referred to

in subparagraph (a) of Article 28 is:

- the Origin Certification Policy Office of the Trade Administration Division of the Trade and Economic Cooperation Bureau of the Ministry of Economy, Trade and Industry, for Japan and
- the Bureau of Customs, for the Philippines.

2. The focal point of the customs authority referred to in subparagraph (b) of Article 28 is:

- the Customs and Tariff Bureau of the Ministry of Finance, for Japan; and
- the Bureau of Customs, for the Philippines.

3. The Parties should provide each other with the address, phone number, fax number and e-mail address of the focal points referred to in paragraphs 1 and 2 upon adoption of this Operational Procedures, and should notify any modification regarding such information within 30 days after such modification.

4. If the competent governmental authority of the exporting Party designates entities or bodies to carry out the issuance of the certificate of origin, or makes modification or revocation in respect of designees, this should be immediately notified by: in the case of Japan, the Embassy of Japan in the Philippines to the Bureau of Customs of the Philippines; and in the case of the Philippines, the Bureau of Customs to the Embassy of Japan in the Philippines.

SECTION 3 MUTUAL RECOGNITION

Rule 1 Communication

1. The Registering Authority of a Party, when it conducts visit on the premises of the conformity assessment bodies of the other Party pursuant to subparagraph 2 (a)(ii) of Article 63, the Registering Authority of a Party should send to the contact point of the other Party in advance a written request for the visit. The written request should include the following information:

- (a) Date of the visit
- (b) Names of the concerned conformity assessment bodies of the other Party
- (c) Names and titles of officials of the Registering Authority of a Party, who conduct the visit

2. The contact point of the other Party should make a response to the request referred to in paragraph 1 by a written notification to the Registering Authority of the former Party. If the

other Party objects to the request, the written notification should include the reasons for its objection.

3. If officials of the Registering Authority of the other Party referred to in 1 join the visit, the contact point of the other Party should notify the Registering Authority of the former Party of names and titles of the officials in writing before the visit.

4. For the purposes of subparagraph 2(a)(iii) of Article 63, the Registering Authority of a Party should send a written request to the contact point of the other Party before it has its officials to accompany conformity assessment bodies of the other Party applying for registration as an observer where those bodies carry out, as part of the conformity assessment procedures, conformity assessment activities at the premises of entities of the other Party subject to such activities. The written request should include the following information:

- (a) Date of the accompaniment
- (b) Names of the concerned conformity assessment bodies and the concerned entities of the other Party
- (c) Names and capacities of officials of the Registering Authority of a Party, who will accompany the conformity assessment activities

5. The contact point of the other Party should make a response to the request referred to in paragraph 4 by a written notification to the Registering Authority of the former Party. If the other Party objects to the request, the written notification should include the reasons for its objection.

6. If officials of the Registering Authority of the other Party referred to in paragraph 4 join, as (an) observer(s), the accompaniment of the officials of the former Party, the contact point of the other Party should notify the Registering Authority of the former Party of names and titles of its officials in writing before the accompaniment.

7. If the Registering Authority of a Party specifies a period referred to in Note to subparagraph 2(a) of Article 63, the Registering Authority of a Party should indicate the period in the written request referred to in paragraphs 1 and 4.

8. For the purposes of Article 63 2(b), whenever the Registering Authority of a Party sends written questionnaires referred to in subparagraph 2(a)(i) of Article 63, the Registering Authority of a Party should immediately notify the contact point of the other Party, in writing,

of names of the conformity assessment bodies of the other Party which receives the written questionnaires.

Rule 2 Contact Points

The contact point referred to in Rule 1 is:

- in the case of Japan, the Second Southeast Asia Division of the Southeast and Southwest Asian Affairs Department of the Ministry of Foreign Affairs
- in the case of the Philippines, the Bureau of Product Standards of the Department of Trade and Industry

Appendix 1-A Format of Certificate of Origin

Appendix 1-B Instructions for Certificate of Origin

Appendix 2 Phytosanitary Certificate

Appendix 3 Industrial Technology Development Institute Certificate

Appendix 4 Examples of Rules Origin

Appendix 5 Examples of Required Documents when using a material taken by authorized fishing vessels on the IOTC Record or a material of a non-Party of the ASEAN

Appendix 6 Explanations for Section XI of Product Specific Rules of Annex 2

Appendix 7 Description of Operations for Dyeing or Printing Process

Certificate of Origin Form –JPEPA

Appendix 1-A

1. Exporter's Name, Address and Country:		Reference No.		Number of page /	
2. Importer's Name, Address and Country:		<p align="center"> <u>AGREEMENT BETWEEN JAPAN AND THE REPUBLIC OF THE PHILIPPINES FOR AN ECONOMIC PARTNERSHIP</u> [FORM JP] CERTIFICATE OF ORIGIN Issued in _____ </p>			
3. Means of transport and route					
4. Item number (as necessary); Marks and numbers; Number and kind of packages; Description of good(s); HS code		5. Origin criterion	6. Quantity (gross or net weight or other quantity units)	7. Invoice number and date	
8. Certificate Number of the Phytosanitary Certificate or ITDI Certificate, if applicable.		9. Remarks			
10. Declaration by the exporter: I, the undersigned, declare that: - the above details and statement are true and accurate. - the good(s) described above meet the condition(s) required for the issuance of this certificate; - the country of origin of the good(s) described above is Place and Date: _____ Signature: _____ Name (printed): _____ Company: _____		11. Certification It is hereby certified, on the basis of control carried out, that the declaration by exporter is correct. Competent governmental authority or Designee office: _____ Stamp Place and Date: _____ Signature: _____			

Parties which accept this form for the purpose of preferential treatment under the Agreement between Japan and the Republic of the Philippines for an Economic Partnership (hereinafter referred to as “the Agreement”) are Japan and the Philippines.

General Condition:

The main condition for admission to the preferential tariff treatment under the Agreement is that the goods exported to Japan or the Philippines will:

- i. fall within description of products eligible for concession in Japan or the Philippines.
- ii. comply with one of the requirements set out in Origin Criteria ; and
- iii. comply with the consignment criteria of Article 33 of the Agreement .

Origin Criteria:

- A The good is wholly obtained or produced entirely in the Party, as defined in paragraph 2 of Article 29.
- B The good is produced entirely in the Party exclusively from originating materials of the Party.
- C The good satisfies the product specific rules set out in Annex 2, as well as all other applicable requirements of Chapter 3, when the good is produced entirely in the Party using non-originating materials.

Instructions for Certificate of Origin:

For the purposes of obtaining preferential tariff treatment, this document must be completed legibly and in full by the exporter or its authorized agent. Any item of the form must be completed in the English language. The certificate of origin will be no longer valid, if it is completed in any languages other than English or modified after the issuance.

If the space of this certificate is insufficient to specify the necessary particulars for identifying the goods and other related information, the exporter or its authorized agent may specify the information using additional Appendix 1-A.

Field 1: State the full name, address and country of the exporter.

Field 2: State the full name, address and country of the importer. As defined in subparagraph (g) of Article 28, the term “importer” means a person who imports a good into the importing Party (e.g. the consignee who declares the importation)

Field 3: Provide the name of loading port, transit port and discharging port and, the name of vessel / flight number, as far as known and, for the purpose of retroactive issuance, the date of shipment (i.e. bill of lading or airway bill date)

Field 4: Provide item number (as necessary), marks and numbers, number and kind of packages, Harmonized System (HS) Code as amended on 1 January 2002 and description of each good consigned.

For each good, indicate the HS tariff classification number at the six-digit level.

In the case of small bananas, the variety should be specified. In the case of tropical fruit wine, the tropical fruit/s used should be specified.

In principle, the description should be sufficient to relate it to the description of invoice and to Harmonized System (HS) description of the good.

With respect to heading 53.06, 53.07 and 53.08, and subheading 1605.90, 2208.90 and 9404.90, in an exceptional case where the good is a specific product requiring a special description (e.g. quilts and eiderdowns), such description of specific products must be indicated.

With respect to goods of Chapter 16 of the HS, as referred to in Annex 2, the materials taken by the authorized fishing vessels on the IOTC Record, and names, registered numbers and nationalities of such vessels must be indicated (if such materials were used in the production of the good(s)).

With respect to goods of Chapter 18 or 20 of the HS, as referred to in Annex 2, the materials of non-Parties which are member countries of the ASEAN and the names of such non-Parties must be indicated (if such materials were used in the production of the good(s)).

With respect to goods of Chapter 50 through 63 of the HS, as referred to in Annex 2, the materials of the other Party or non-Parties which are member countries of the ASEAN, the processes or operations conducted in such Party or non-Parties, and the names of such Party or non-Parties must be indicated (if such materials were used in the production of the good).

Field 5: For each good, state which origin criterion (A through C under Origin Criteria above) is applicable. The rules of origin are contained in Chapter 3 and Annex 2.

Note: In order to be entitled to preferential tariff treatment, each good of a Party must meet at least one of the criteria given.

Indicate “ACU” for accumulation, “DMI” for *De Minimis* and “FGM” for fungible goods or materials, if applicable.

Field 6: For each good, indicate the quantity (gross or net weight or other quantity units).

Field 7: Indicate the invoice number and date. The invoice number and date should be applicable to the importation of goods into a Party, in principle.

In an exceptional case where the invoice number of an invoice issued in the non-Party is not known at the time of issuance of the certificate of origin, field 7 should be left blank.

In addition the importer should provide the customs authority of the importing Party with a sworn declaration that justifies the fact. In this declaration the importer should indicate, at least, the number of the invoice and the certificate used for the importation.

Field 8: Indicate Certificate Number of the Phytosanitary Certificate or ITDI Certificate, if applicable.

Field 9: In the case of paragraph 1 of Rule 7, indicate "non-Party invoicing" with the full legal name and address of the natural person or juridical person issuing the invoice of a non-Party.

If the certificate of origin was issued retroactively, the issuing authority will indicate "ISSUED RETROACTIVELY". If a certified true copy of the certificate of origin or a new certificate of origin is issued in accordance with paragraph 4 of Rule 4, the issuing authority will indicate the date of issuing and the reference number of the original certificate of origin. In addition, in the case that the certified true copy was issued, the issuing authority will indicate "CERTIFIED TRUE COPY"

Other remarks as necessary.

Field 10: This field must be completed, signed and dated by the exporter or its authorized agents. The "Date" must be the date when the certificate of origin is applied.

Note: The exporter's or its authorized agent's signature may be autographed or electronically printed.

Field 11: This field must be completed, dated, signed and stamped by the competent governmental authority or its designee of the exporting Party.

Note: The competent governmental authority's or its designee's signature may be autographed or electronically printed.

Notice 1. Any items entered in this form must be true and correct. False declaration or documents relating to the certificate of origin will be subject to penalty in accordance with the laws and regulations of the exporting Party.

Notice 2. The certificate of origin would be a basis of determination of origin at the customs authority of the importing Party.

REPUBLIC OF THE PHILIPPINES
Department of Agriculture
BUREAU OF PLANT INDUSTRY

PHYTOSANITARY CERTIFICATE

FAO International Plant Protection Convention

D No. _____

Philippine Plant Quarantine Service _____

To: _____
(Plant Protection Organization)

Of: _____
(Importing Country)

DESCRIPTION OF CONSIGNMENT

Name and address of exporter _____

Declared name and address of consignee _____

Number and description of packages _____

Distinguishing marks _____

Place of origin _____

Declared means of conveyance _____

Declared point of entry _____

Name of produce and quantity declared _____

Botanical name of plants _____

THIS IS TO CERTIFY THAT THE PLANTS OR PLANT PRODUCTS DESCRIBED ABOVE HAVE BEEN INSPECTED ACCORDING TO APPROPRIATE PROCEDURES AND ARE CONSIDERED TO BE FREE FROM QUARANTINE PESTS, AND PRACTICALLY FREE FROM OTHER INJURIOUS PESTS, AND THAT THEY ARE CONSIDERED TO CONFORM WITH THE CURRENT PHYTOSANITARY REGULATIONS OF THE IMPORTING COUNTRY.

DISINFESTATION AND/OR DISINFECTION TREATMENT

Date _____

Treatment _____

Chemical (active ingredient) _____

Duration and temperature _____

Concentration _____

Additional information _____

Additional declaration: This is to further certify that the variety of banana in this consignment is _____.

Place of issue _____

(Name and designation of authorized officer)

(STAMP OF SERVICE)

(Date)

(Signature)

NOTE: No financial liabilities with respect to this certificate shall attach to the Department of Agriculture, Republic of the Philippines or to any officer or representative of that Department.

ORIGINAL

INDUSTRIAL TECHNOLOGY DEVELOPMENT INSTITUTE
(Formerly National Institute of Science and Technology)
STANDARDS AND TESTING DIVISION
Gen. Santos Ave., Bicutan, Taguig, Metro Manila 1613

Fax No.: (632) 837-3167 / 837-0032

Tel. No.: 837-2071 to 82

CERTIFICATION
NO. (Request Ref. No.)

Date Issued: _____

This is to certify that based on the production data submitted to this office and verified against the actual sample of finished product during the plant visit on (Date)_____, the raw materials used in the production of fermented (fruit)____ wine by the Name of Company, address_____ is as follows:

Product Description

Raw Materials

This certification is being issued upon the request of (Name of Company)_____ for the purpose of qualifying the product for tariff privilege under the Japan-Philippines Economic Partnership Agreement.

This certificate is valid for five(5) years from date of issuance.

Analyst

Head of Laboratory

Chief of Division

NOTE: The exporter is required to secure a new certification from ITDI for any change in product formulation.

Examples of Rules of Origin

1. Qualifying Value Content (Q.V.C.)

1.1 Example of the calculation of Q.V.C. (Application of the formula provided for in paragraph 4 of Article 29)

Company A produces refrigerators in Japan and plans to export them to the Philippines under the Agreement.

The Product Specific Rules (PSRs) for refrigerator (HS8418.10) under the Agreement are:

A change to subheading 8418.10 through 8418.69 from any other subheading; or No required change in tariff classification to subheading 8418.10 through 8418.69, provided that there is a qualifying value content of not less than 40 percent.

To prove that the refrigerator qualifies as an originating good, Company A has to prove that the refrigerator satisfies either the change in tariff classification (6-digits tariff change) rule (hereinafter referred to as “the CTC rule”) or the 40% value-added rule. If Company A decides to choose the 40% value-added rule in this case, Company A has to calculate the qualifying value content.

Company A's manufacturing costs of the refrigerator

Material/Parts	Sources	Originating Status	Value US\$
Parts a	Japan	originating	200
Parts b	Japan	originating	100
Parts c	China	non-originating	100
Parts d	China	non-originating	100
Parts e	India	non-originating	200
Other Costs	N/A	N/A	300
F.O.B. Price	—	—	1,000

The formula for calculating the qualifying value content is:

$$Q.V.C = \frac{F.O.B. - V.N.M.}{F.O.B.} \times 100$$

- Q.V.C. is the qualifying value content of a good, expressed as a percentage;
- F.O.B. is, except as provided for in paragraph 5 of Article 29, the free-on-board value of a good payable by the buyer of the good to the seller of the good, regardless of the mode of shipment, not including any internal excise taxes reduced, exempted, or repaid when the good is exported; and
- V.N.M. is the value of non-originating materials used in the production of a good determined pursuant to paragraph 6 of Article 29.

The calculation of Q.V.C. of the refrigerator is:

$$\text{Q.V.C.} = \frac{\$1,000 - \$400 \text{ (Parts c, d and e)}}{\$1,000} \times 100 = 60\% \geq 40\%$$

The above calculation shows that the refrigerator qualifies as an originating good.

1.2 Example of the use of the method provided for in paragraph 7 of Article 29

Company A produces refrigerators in Japan and plans to export them to the Philippines under the Agreement.

The PSRs for refrigerator (HS8418.10) under the Agreement are:

A change to subheading 8418.10 through 8418.69 from any other subheading; or No required change in tariff classification to subheading 8418.10 through 8418.69, provided that there is a qualifying value content of not less than 40 percent.

To prove that the refrigerator qualifies as an originating good, Company A has to prove that the refrigerator satisfies either the CTC rule or the 40% value-added rule. Company A decided to choose the 40% value-added rule.

Company A obtained Parts b (electric motor) from Company B in Japan. To calculate the Q.V.C. of the refrigerator, Company A has to confirm the originating status of Parts b. Company A obtained information on Parts b from Company B.

Manufacturing costs of Parts b (electric motor)

Material/Parts	Sources	Originating Status	Value US\$
Parts b1	Japan	originating	80
Parts b2	China	non-originating	40
Other Costs	N/A	N/A	20
F.O.B. Price	—	—	140

The PSRs for electric motor (HS8501.10) under the Agreement are:

A change to heading 85.01 through 85.03 from any other heading; or No required change in tariff classification to heading 85.01 through 85.03, provided that there is a qualifying value content of not less than 40 percent.

Company A decided to choose the 40% value-added rule and calculated Q.V.C. of Parts b as follows:

$$\text{Q.V.C.} = \frac{\$140 - \$40 \text{ (Parts b2)}}{\$140} \times 100 = 71\% \geq 40\%$$

Parts b qualifies as an originating material under the Agreement.

Company A's manufacturing costs of the refrigerator

Material/Parts	Sources	Originating Status	Value US\$
Parts a	Japan	originating	180
Parts b	Japan	originating	140
Parts b1	Japan	originating	80
Parts b2	China	non-originating	40
Other Costs	N/A	N/A	20
Parts c	China	non-originating	280
Parts d	China	non-originating	200
Parts e	India	non-originating	100
Other Costs	N/A	N/A	100
F.O.B. Price	--	--	1,000

The calculation of the Q.V.C. of the refrigerator is;

$$\text{Q.V.C.} = \frac{\$1,000 - \$580 \text{ (Parts c, d and e)}}{\$1,000} \times 100 = 42\% \geq 40\%$$

Parts b2 isn't counted in the V.N.M. in accordance with paragraph 7 of Article 29. The above calculation shows that the refrigerator qualifies as an originating good.

If paragraph 7 of Article 29 did not apply, the refrigerator would not qualify as an originating good as follows:

$$\text{Q.V.C.} = \frac{\$1,000 - \$620 \text{ (\$40 (Parts b2) + \$580 (Parts c, d and e))}}{\$1,000} \times 100 = 38\% < 40\%$$

1.3 Example of the calculation of Q.V.C. when the exporter of the producer can not determine the origin of some parts.

Company A produces refrigerators in Japan and plans to export them to the Philippines under the Agreement.

The PSRs for refrigerator (HS8418.10) under the Agreement are:

A change to subheading 8418.10 through 8418.69 from any other subheading; or No required change in tariff classification to subheading 8418.10 through 8418.69, provided that there is a qualifying value content of not less than 40 percent.

To prove that the refrigerator qualifies as an originating good, Company A has to prove that the refrigerator satisfies either the CTC rule or the 40% value-added rule. Company A decided to choose the 40% value-added rule.

Company A's manufacturing costs of the refrigerator

Material/Parts	Sources	Originating Status	Value US\$
Parts a	Japan	originating	280
Parts b	Japan	originating	140
Parts c	unknown	unknown	unknown
Parts d	unknown	unknown	unknown
Parts e	unknown	unknown	unknown
Other Costs	N/A	N/A	
F.O.B. Price	--	--	1,000

} 580

The calculation of the Q.V.C. of the refrigerator is;

$$\text{Q.V.C.} = \frac{\$1,000 - \$580 (\$1,000 - \$420 (\text{Parts a and b}))}{\$1,000} \times 100 = 42\% \geq 40\%$$

Without regard to the value of Parts c, Parts d, Part e and Other Costs, the above calculation shows that the refrigerator qualifies as an originating good.

2. Accumulation

2.1 Example of the calculation of Q.V.C. when applying the accumulation principle (paragraph 1 of Article 30)

Company A produces color TVs (HS8528.12) in Japan and plans to export them to the Philippines under the Agreement. Tuners (HS8529.90) which are used in the manufacturing process of the color TV are imported from the Philippines.

The PSRs for the color TV (HS8528.12) under the Agreement are:

*A change to heading 85.24 through 85.29 from any other heading; or
No required change in tariff classification to heading 85.24 through 85.29, provided that there is a qualifying value content of not less than 40 percent.*

To prove that the color TV qualifies as an originating good, Company A has to prove that the color TV satisfies either the CTC rule or the 40% value-added rule.

Company A decided to choose the 40% value-added rule in this case.

Company A's manufacturing costs of the color TV

Material/Parts	Sources	Originating Status	Value US\$
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Parts a	Japan	Originating	100
Parts b	Japan	Originating	100
Parts c (Tuner)	the Philippines (considered as Japan)	originating (considered as originating)	400
Parts d	India	non-originating	300
Parts e	S. Korea	non-originating	500
Parts f	China	non-originating	400
Other Costs	N/A	N/A	200
F.O.B. Price	--	--	2,000

If Parts c (tuner) is an originating material of the Philippines, the color TV will qualify as an originating good by considering Parts c as an originating material of Japan in accordance with paragraph 1 of Article 30.

The calculation of Q.V.C. of the color TV is;

$$\text{Q.V.C.} = \frac{\$2,000 - \$1,200 \text{ (Parts d, e and f)}}{\$2,000} \times 100 = 40\% \geq 40\%$$

2.2 Example of the calculation of Q.V.C. when applying the accumulation principle (paragraph 2 of Article 30)

Company A produces color TVs (HS8528.12) in Japan and plans to export them to the Philippines under the Agreement. Tuners (HS8529.90) which are used in the manufacturing process of the color TV are imported from the Philippines. Company B, producing tuners in the Philippines, uses Philippine and Malaysian parts to manufacture tuners.

The PSRs for color TV (HS8528.12) under the Agreement are:

*A change to heading 85.24 through 85.29 from any other heading; or
No required change in tariff classification to heading 85.24 through 85.29, provided that there is a qualifying value content of not less than 40 percent.*

To prove that the color TV qualifies as an originating good, Company A decided to choose the 40% value-added rule in this case.

Company A's manufacturing costs of the color TV

Material/Parts	Sources	Originating Status	Value US\$
Parts a	Japan	originating	300
Parts b	Japan	originating	200
Parts c (Tuner)	the Philippines	Non-originating	500
Parts c1	the Philippines	originating	80
Parts c2	Malaysia	Non-originating	400

Other Costs	N/A	N/A	20
Parts d	India	Non-originating	300
Parts e	S. Korea	Non-originating	100
Parts f	China	Non-originating	400
Other Costs	N/A	N/A	200
F.O.B. Price	--	--	2,000

Even if Parts c (tuner) is a non-originating material, the color TV will qualify as an originating good by applying paragraph 2 of Article 30 as follows:

The calculation of Q.V.C. of the color TV is;

$$\text{Q.V.C.} = \frac{\$2,000 - \$1,200 \text{ (Parts c2, d, e and f)}}{\$2,000} \times 100 = 40\% \geq 40\%$$

In accordance with paragraph 2 of Article 30, the value of non-originating material produced in either Party and to be used in the production of the good may be limited to the value of non-originating materials (Parts c2) used in the production of such non-originating material (Parts c). Therefore, only non-originating portion (Parts c2) of Parts c will be counted in the value of non-originating materials.

If paragraph 2 of Article 30 did not apply, the color TV would not qualify as an originating good under the Agreement as follows:

$$\text{Q.V.C.} = \frac{\$2,000 - \$1,300 \text{ (Parts c, d, e and f)}}{\$2,000} \times 100 = 35\% < 40\%$$

3. De Minimis

3.1 Example of the application of De Minimis for goods other than textile goods (Article 31 and subparagraph (f) (i) in Section 1 of Annex 2)

Company A produces a razor (HS8212.10) in Japan and plans to export them to the Philippines under the Agreement.

The PSRs for the razor (HS8212.10) under the Agreement are:

*A change to heading 82.01 through 82.15 from any other chapter; or
No required change in tariff classification to heading 82.01 through 82.15,
provided that there is a qualifying value content of not less than 40 percent.*

To prove that the razor qualifies as an originating good, Company A decided to choose the CTC rule in this case.

The razor is made from Korean stainless steel (HS72.20) and Chinese handle grip of base metal (HS8212.90). Since a handle grip does not undergo change in tariff classification from any other chapter, the razor does not meet the CTC rule. If the

value of the handle grip (HS8212.90) is equivalent to 10% of F.O.B. price of the razor or less, Company A is allowed to disregard the portion of handle grip for the purposes of the CTC rule pursuant to de minimis provision of Article 31.

3.2 Example of the application of De Minimis for textile goods (Article 31 and subparagraph (f) (ii) in Section 1 of Annex 2)

Company A produces silk yarn (HS5006.00) which is made in Japan and plans to export them to the Philippines under the Agreement.

The PSRs for silk yarn are;

A change to heading 50.04 through 50.06 from any heading outside that group.

Silk yarn (HS5006.00) is made from Indian raw silk (HS5002.00) and Chinese silk thread (HS5006.00). Since silk thread does not undergo change in tariff classification, silk yarn does not meet the CTC rule. If the weight of silk thread is equivalent to 7% of silk yarn or less, Company A is allowed to disregard the portion of silk thread for the purposes of the CTC rule pursuant to de minimis provision of Article 31.

4. Unassembled or Disassembled Goods

Example of a good imported to a Party in a disassembled form but classified as an assembled good (paragraph 1 of Article 34)

Company A produces Gas Turbine (HS8411.82) in Japan, which is an extremely large machine obtaining originating status, and plans to export it to the Philippines under the Agreement. Company A exports it in a disassembled form (a group of lots) by reason of transportation. In this case, the Philippine customs classifies the group of lots as an assembled good, “the article complete, presented disassembled”, i.e., an assembled gas turbine by virtue of Rule 2(a) of the General Rules for the Interpretation of the Harmonized System¹ (hereinafter referred to as “GRI 2(a)”). Its originating status is not lost and it is classified as Gas Turbine (HS8411.82).

5. Information Technology Goods

Information technology goods which are covered by attachment A or B of the Ministerial Declaration on Trade in Information Technology Products adopted in the Ministerial Conference of the WTO on 13 December 1996² (hereinafter referred to

¹ General Rules for the Interpretations of the Harmonized System 2 (a)

2(a) Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this Rule), presented unassembled or disassembled.

² Subparagraph (g) of Section 1 of Annex II (Product Specific Rules)

as “the attachment”) and which are exported without a certificate of origin under the Agreement, are provided duty-free treatment by each Party. When such information technology goods are used in the production of another good as materials, producers of the information technology materials are requested by a producer of that good to provide cost data to prove the origin of those materials. Since the producers of those materials are not requested to prove the origin of those materials as long as they export them as final goods and have difficulties in providing the data of those materials, the producer of the good may not be able to obtain the data of origin. The examples set out in paragraph 5.1 and 5.2 show that cost data to prove the origin of information technology materials used in the production of another good is not required and the burden of producers of both the good and materials is reduced.

5.1 Example when using a material covered by the attachment except for HS 85.41 through 85.42 (subparagraph (g)(i) of Section 1 of Annex 2)

Company A produces washing machines in Japan and plans to export them to the Philippines under the Agreement.

The PSRs for washing machines (HS8450.11) under the Agreement are:

A change to subheading 8450.11 through 8450.20 from any other subheading; or No required change in tariff classification to subheading 8450.11 through 8450.20, provided that there is a qualifying value content of not less than 40 percent.

Company A decided to choose the 40% value-added rule in this case.

Company A’s manufacturing costs of the washing machine

Material/Parts	Sources	Originating Status	Value US\$
Parts a	Japan	originating	100
Parts b (switch)	Japan	? (considered as originating)	40
Parts c	China	non-originating	50
Parts d	India	non-originating	120
Parts e	S. Korea	non-originating	100
Other Costs	N/A	N/A	90
F.O.B. Price	--	--	500

(i) a good which is covered by Attachment A or B of the Ministerial Declaration on Trade in Information Technology Products adopted in the Ministerial Conference of the World Trade Organization on 13 December 1996 and is used as a material in the production of another good in a Party may be considered as an originating material of the Party, regardless of the applicable PSRs for the former good, provided that the former good is assembled in either Party; and

(ii) notwithstanding subparagraph (i), where the good covered by Attachment A or B of the Declaration referred to in the said subparagraph is classified in subheading 8541.10 through 8542.90, all the non-originating materials used in the production of the good shall undergo change in tariff classification to subheading 8541.10 through 8542.90 from any other subheading.

Company A obtains Parts b (switch, HS8536.50) covered by the attachment from Company B in Japan. If Company A obtains information which proves that Parts b (switch) was assembled in Japan, Parts b is considered as an originating material pursuant to subparagraph (g)(i) of Section 1 of Annex 2, and the calculation of Q.V.C. is:

$$\text{Q.V.C.} = \frac{\$500 - \$270 \text{ (Parts c, d and e)}}{\$500} \times 100 = 46\% \geq 40\%$$

The above calculation shows that the washing machine qualifies as an originating good.

5.2 Example when using a material covered by the attachment and classified in HS 85.41 through 85.42. (subparagraph (g)(ii) of Section 1 of Annex 2)

Company A produces microwaves in Japan and plans to export them to the Philippines under the Agreement.

The PSRs for microwaves (HS8516.50) under the Agreement are:

A change to subheading 8516.10 through 8516.80 from any other subheading; or No required change in tariff classification to subheading 8516.10 through 8516.80, provided that there is a qualifying value content of not less than 40 percent.

Company A decided to choose the 40% value-added rule in this case.

Company A's manufacturing costs of microwave

Material/Parts	Sources	Originating Status	Value US\$
Parts a	Japan	originating	100
Parts b (transistor)	Japan	? (considered as originating)	40
Parts c	China	non-originating	50
Parts d	India	non-originating	120
Parts e	S. Korea	non-originating	100
Other Costs	N/A	N/A	90
F.O.B. Price	--	--	500

Company A obtains Parts b (transistor, HS8541.29) from Company B in Japan. If Company A obtains information which proves that non-originating materials used in the production of Parts b undergo change in tariff classification in Japan, Parts b is considered as an originating material pursuant to subparagraph (g)(ii) of Section 1 of Annex 2, and the calculation of Q.V.C. is:

$$\text{Q.V.C.} = \frac{\$500 - \$270 \text{ (Parts c, d and e)}}{\$500} \times 100 = 46\% \geq 40\%$$

The above calculation shows that the microwave qualifies as an originating good.

Examples of Required Documents when using a material taken by authorized fishing vessels on the IOTC Record or a material of a non-Party of the ASEAN

1. (1) With respect to each good of Chapter 16 of the Harmonized System, in the case where a material taken by the authorized fishing vessels on the IOTC Record is used in the production of the good, the following are examples of document to prove it.

- a copy of contracts of sale and purchase of the material between the exporter or the producer of the good and the exporter or the producer of the material (e.g. contracts indicating that the material for sale and purchase is taken by the authorized fishing vessels on the IOTC Record)
- a copy of shipping documents, including but not limited to the invoice, regarding the sale of the material

(2) With respect to each good of Chapter 18 or 20 of the Harmonized System, in the case where a material of a non-Party which is a member country of the ASEAN is used in the production of the good, the followings are examples of document to prove that the material is harvested, picked, gathered or produced in that non-Party.

- a copy of contracts of sale and purchase of the material between the exporter or the producer of the good and the exporter or the producer of the material (e.g. contracts indicating that the material for sale and purchase is harvested, picked, gathered or produced in that non-Party)
- a copy of shipping documents, including but not limited to the invoice, regarding the sale of the material
- a copy of Form D issued for the material in accordance with the CEPT Scheme (the ASEAN Common Effective Preferential Tariff Scheme for the ASEAN Free Trade Area) if information in the copy of Form D is useful for verification)

(3) With respect to each good of Chapter 50 through 63 of the Harmonized System, in the case where a material of the other Party or a non-Party which is a member country of the ASEAN is used in the production of the good, the following are examples of document to prove that the material undergoes a process or operation specified in the product specific rules set out in Annex 2 in that Party or that non-Party.

- a copy of contracts of sale and purchase of the material between the exporter or the producer of the good and the exporter or the producer of the material (e.g. contracts indicating that the material for sale and purchase undergoes the specified process or operation in the other Party or that non-Party)
- a copy of shipping documents, including but not limited to the invoice, regarding the sale of the material

a copy of Form D issued for the material (if information in the copy of Form D is useful for verifying)

2. (1) With respect to each good of Chapter 16 of the Harmonized System, in the case where a material taken by the authorized fishing vessels on the IOTC Record is used in the production of the good, an example of document to prove that the material is transported directly is a copy of bills of lading or airway bills for transportation to the exporting Party of the material.

(2) With respect to each good of 16 of the Harmonized System, in the case where a material taken by the authorized fishing vessels on the IOTC Record is used in the production of the good and the material is transported through non-Parties to the exporting Party of the good, the following are examples of document to prove that it does not undergo operations other than unloading, reloading or any other operations to preserve it in good condition in those non-Parties.

- a copy of through bills of lading or airway bills for transportation from that non-Party to the exporting Party of the good
- a format or handwritten declaration issued by the customs authorities of those other non-Parties for the material being transshipped or temporarily stored

3. (1) With respect to each good of Chapter 18 or 20 of the Harmonized System, in the case where a material of a non-Party which is a member country of the ASEAN is used in the production of the good, examples of document to prove that the material is transported directly from that non-Party is a copy of bills of lading or airway bills for transportation from that non-Party to the exporting Country of the material.

(2) With respect to each good of 18 or 20 of the Harmonized System, in the case where a material of a non-Party which is a member country of the ASEAN is used in the production of the good and the material is transported through other non-Parties to the exporting Party of the good, the following are examples of document to prove that it does not undergo operations other than unloading, reloading or any other operations to preserve it in good condition in those other non-Parties.

- a copy of through bills of lading or airway bills for transportation from that non-Party to the exporting Party of the good
- a format or handwritten declaration issued by the customs authorities of those other non-Parties for the material being transshipped or temporarily stored

4. (1) With respect to each good of Chapter 50 through 63 of the Harmonized System, in the case where a material of the other Party or a non-Party which is a member country of the ASEAN is used in the production of the good, an example of document to prove that the material is transported directly from the other Party or that non-Party is a copy of bills of lading or airway bills for transportation from the other Party or that non-Party to the exporting Party of the material.

(2) With respect to each good of Chapter 50 through 63 of the Harmonized System, in the case where a material of the other Party or a non-Party which is a member country of the ASEAN is used in the production of the good and the material is transported through other non-Parties to the exporting Party of the good, the following are examples of document to prove that it does not undergo operations other than unloading, reloading or any other operations to preserve it in good condition in those other non-Parties.

- a copy of through bills of lading or airway bills for transportation from that non-Party to the exporting Party of the material
- a format or handwritten declaration issued by the customs authorities of those other non-Parties for the material being transshipped or temporarily stored

**Explanations for Section XI of Product Specific Rules of Annex 2
(Processes necessary to obtain originating status for Textile and Textile Goods
(Chapter 50- 63))**

A. Yarn

HS Code	Necessary processes to obtain originating status in a Party	
	Carding/Combing process	Spinning process
50.04-50.06 51.06-51.10	(N / A)	Required
52.04-52.07	Required*	Required
53.06-53.08** 54.01-54.06	(N / A)	Required
55.08-55.11	Required*	Required

* "Carding/Combing" process is not required to be conducted in a Party from which the good is originated when the process is conducted in the other Party or a non-party which is a member country of the ASEAN.

**In case of "abaca yarn" of HS 5306.10-5308.90 and "coconut yarn" of HS 5306.10-5308.20, it is required that originating abaca or coconut fiber is used as a material.

B. Woven Fabrics

HS Code	Necessary processes to obtain originating status in a Party			
	Spinning process	Dyeing/Printing process to yarn***	Weaving process	Dyeing/Printing process to fabrics****
50.07 51.11-51.13	Required*		Required	
52.08-52.12 53.09-53.11		Required**	Required	
54.07-54.08 55.12-55.16			Required***	Required

* "Spinning" process is not required to be conducted in a Party from which the good is originated when the process is conducted in the other Party or a non-Party which is a member country of the ASEAN.

** "Dyeing/Printing process to yarn" is not required to be conducted in a Party from which the good is originated when the process is conducted in the other Party or a non-Party which is a member country of the ASEAN.

*** "Weaving" process is not required to be conducted in a Party from which the good is originated when the process is

conducted in the other Party or a non-party which is a member country of the ASEAN.

*** "Dyeing/Printing" process should be accompanied by two or more of the operations which are described in Note 1 of Section XI of Annex 2 of the Agreement and Appendix 5 of Operational Procedures.

C. Textile Articles for Industrial Use, etc. (HS56 - 59)

HS Code	Necessary processes to obtain originating status in a Party	
	Spinning process	Knitting/Crocheting/Weaving/Making up process
56.01-56.03	(N / A)**	Required
56.04-56.09	Required*	Required
57.01-57.02	Required*	Required
57.03-57.05	(N / A)**	Required
58.01-58.11	Required*	Required
59.01	(N / A)	Required
59.02-59.11	Required*	Required

* "Spinning" process is not required to be conducted in a Party from which the good is originated when the process is conducted in the other Party or a non-party which is a member country of the ASEAN.

** As for the good of HS56.01-56.03 and 57.03-57.05, "Spinning process" is not required, because the process is not actually conducted in the practice of its production process.

D. Knitted or Crocheted Fabrics (HS60)

HS Code	Necessary processes to obtain originating status in a Party			
	Spinning process	Dyeing/Printing process to yarn****	Knitting/Crocheting process	Dyeing/Printing process to fabrics****
60.01-60.06	Required*		Required	
		Required**	Required	
			Required***	Required

* "Spinning" process is not required to be conducted in a Party from which the good is originated when the process is conducted in the other Party or a non-Party which is a member country of the ASEAN.

** "Dyeing/Printing process to yarn" is not required to be conducted in a Party from which the good is originated when the process is conducted in the other Party or a non-Party which is a member country of the ASEAN.

*** "Knitting/Crocheting" process is not required to be conducted in a Party from which the good is originated when the process is conducted in the other Party or a non-Party which is a member country of the ASEAN.

**** "Dyeing/Printing" process should be accompanied by two or more of the operation which are described in Note 1 of Section XI of Annex 2 of the Agreement and Appendix 5 of Operational Procedures.

E. Apparels, Clothing Accessories, and Other Textile Articles (HS61, 62, 63.01 – 63.08)

HS Code	Necessary processes to obtain originating status in a Party	
	Knitting/Crocheting/ Weaving process	Making up process
61.01-61.17 62.01-62.17 63.01-63.08	Required*	Required

* "Knitting/Crocheting/ Weaving" process is not required to be conducted in a Party from which the good is originated when the process is conducted in the other Party or a non-Party which is a member country of the ASEAN.

F. Worn Clothing, Worn Textile Articles and Rags (HS63.09 – 63.10)

HS Code	Necessary processes to obtain originating status in a Party	
	Wholly obtained process	
63.09-63.10	Required*	

* It is required pursuant to subparagraph 2(i), (j) or (k) of Article 29 of the Agreement that those worn articles or rags are:

- (i) collected in a Party which can no longer perform their original purpose in the Party nor are capable of being restored or repaired and which are fit only for disposal or for the recovery of parts or raw materials;
- (ii) derived from manufacturing or processing operations or from consumption in a Party and fit only for disposal or for the recovery of raw materials; or
- (iii) recovered in a Party from articles which can no longer perform their original purpose nor are capable of being restored or repaired.

JPEPA Product Specific Rules

63.09-63.10 No required change in tariff classification to heading 63.09 through 63.10, provided that the waste and scrap are wholly obtained or produced entirely in a Party as defined in Article 29.

Description of Operations for Dyeing or Printing Process

Appendix 7

The following interpretation of Note 1 of Section XI Textile and Textile Articles (chapter 50-63) of Annex 2, is based on the Japanese Industrial Standard established by the Ministry of Economy, Trade and Industry.

No.	Operation	Description
(1)	antibacterial finish	The finishing by which the multiplication of bacteria on fibre is restrained and the deodorizing effect is given.
(2)	antimelt finish	The finishing carried out for the addition of the property in which woven and knitted fabric is prevented from melting by heat. It is carried out for preventing the phenomenon in which a hole is made in synthetic fibre product by the fire of cigarette and the friction heat at the time of sliding.
(3)	antimosquito finish	The finishing by which human body is prevented from approaching of mosquitoes by sticking of the mosquito inhibiting agent to woven and knitted fabric.
(4)	anti-pilling finish	The finishing carried out for the purpose of preventing from the producing of pill caused by the friction on the surface of woven and knitted fabric. There are the fixation of fibre by resin treatment, gas singeing, the removal of long fluff by shearing, the degradation of fluff by chemical treatment, etc.
(5)	antistatic finish	The finishing carried out for the purpose of decreasing the static electricity generating on fibre. The hygroscopic agent such as higher alcohol, surface active agent and the antistatic agent such as quaternary ammonium salt, polymer having oxyethylene radical, etc. are used.
(6)	artificial creasing	The finishing by which the durable creases are added to cloth. In synthetic fibre, its thermoplastic property is utilized, and in cellulose sorios of fibre, the cross-linkage reaction by resin finishing agent is utilized.
(7)	bleaching	The treatment which is carried out for decomposing and removing the pigment and coloured impurities contained in fibre by the action of oxidization or reduction and whitening the fibre.
(8)	brushing	The treatment in which the fluff and dust adhering on the surface of fabric are wiped down and the lie of fibre is arranged by using brush-roller, etc.
(9)	buff finish	The raising processing carried out by using the emery paper wound on roll. It is used in various fields such as synthetic fibre woven and knitted fabric, cotton fabric, etc.
(10)	burn-out finish	The finishing in which only one side of fibre is dissolved to remove by utilizing the difference of chemical resistance of the fibre constituting blended yarn fabric and union cloth and the water marked pattern appears.
(11)	calendering	The finishing by which fabric is passed through between various rotating rolls, the surface is smoothened by pressurizing and luster and various feelings are given.
(12)	compressive shrinkage	The finishing in which the density is raised by carrying out of steam pressing mainly cotton fabric, etc. as over-feeding and the shrink resistance is given to it.
(13)	crease resistant finish	The finishing by which wrinkle is made to be difficult to generate on woven and knitted fabric by resin finish, etc.
(14)	decatizing	The finish in which the stability, luster and feeling of cloth are improved by winding up of cloth or wrapping cloth on a porous cylinder and carrying out the heating by steam and cooling by air. The full decatizing (autoclave decatizing machine), semidecatizing (ordinary pressure decatizing machine), continuous decatizing machine, etc. are used. It is the process at about final stage for the finishing of wool fabric.
(15)	deodorant finish	The finishing showing the effect in which uncomfortable odour is reduced by touching of odour component to fibre. The uncomfortable odour means perspiration odour, ageing odour, excretion odour, cigarette odour, trash odour.
(16)	easy-care finish	The finishing carried out for the purpose of being capable of wearing without ironing after washing and drying cotton and its blended yarn fabric.
(17)	embossing	The processing in which fabric, etc. are passed through between an uneven metallic roller heated and an elastic roller, and the uneven patterns are added.
(18)	emerising	The raising processing carried out by using the emery paper wound on roll. It is used in various fields such as synthetic fibre woven and knitted fabric, cotton fabric, etc.
(19)	flame resistant finish	The finishing carried out for the purpose of making fibre to be difficult to ignite and fire-spread. It is applied to working wear, curtain, upholstery fabrics, aged person nursing clothes, bed clothes, etc. which are in danger of catching fire.
(20)	flock finish	The finishing in which fine and short fibres are planted on the surface of cloth, plastic products, etc. in fluff-shaped by using static electricity and adhesive.
(21)	foam printing	The printing in which the printed part is bulged. The printed part is bulged by printing the microcapsule particle enclosing foaming agent with binder together and heat-treating
(22)	liquid ammonia process	The modification finishing of cotton carried out by using liquid ammonia. The effect of much similar to mercerization is obtained, however the improvement of luster and dyeing property is smaller as compared with mercerization. On the other hand, the strength, shrink resistance property (dimensional stability), crease resistance property, setting property, etc. are greatly improved.

No.	Operation	Description
(23)	mercerization	The finishing which is carried out for giving the improvement of dyeingness, increase of wet strength, silk-like luster, etc. by carrying out the tensional treatment of cotton yarn or cotton woven and knitted fabric in concentrated aqueous solution of sodium hydroxide.
(24)	microbial control finish	The finishing carried out restraining of multiplication of bacteria on fibre. In general use, golden staph, pneumobacillus coliform bacilli, pseudomonas aeruginosa, etc. are made to be the object.
(25)	milling	The felting treatment by which wool fabric is wetted with the solution containing alkali, soap, etc., and struck and rubbed mechanically for making the objective feeling.
(26)	moare finish	One of calendering finish by which woodgrain glossy pattern is given on fabric. The finishing in which the difference is produced in reflection of light between the part of warp pressured and the part without being pressured and woodgrain patterns are made.
(27)	moisture permeable waterproofing	The finishing carried out so as to adding the water resistance property as well as the permeability of water vapour to woven and knitted fabric. It is utilized for sports wear.
(28)	oil-repellent finish	The finishing carried out so as to add the oil-repellent property to textile goods.
(29)	organdie finish	The finishing for obtaining thin, transparent, rigid feeling. In the case of cotton, concentrated sulfuric acid, etc. is reacted at ordinary temperature.
(30)	peeling treatment	The processing for the improvement of texture of woven fabric or sewing products by reducing fibre. There are the alkali peeling treatment for polyester textile and the enzyme peeling treatment for cellulose textile, etc.
(31)	perfumed finish	The finishing carried out for addition of perfume to fibre. There are the method in which perfuming material is enclosed in microcapsule and added to textile product, etc.
(32)	relaxation	The treatment for revealing texturization and crepe in woven and knitted fabric by the heat energy such as dry heat, wet heat, hot water, etc. and the effect of physical rubbing.
(33)	ripple finish	The finishing in which cotton fabric is printed with the paste containing high concentration of sodium hydroxide and three dimensional patterns are made appear by shrinking the part, and after resist style paste is printed, the print part is embossed by applying the concentrated solution of sodium hydroxide and the ripple-like seersucker or crepe like emboss appears.
(34)	schreiner finish	The finish in which woven fabric is passed through the schreiner calender equipped with metallic rolls indented with countless and parallel fine lines, the weave is smoothened and the silky luster is given.
(35)	shearing	The operation by which, after the fluff or the surface of woven and knitted fabric is arranged with brush, it is made run on a edge and cut to arrange in a definite length by using a rotary cutter.
(36)	shrink resistant finish	The finishing by which woven and knitted fabric is not made shrink by washing, hot water treatment.
(37)	soil guard finish	The finishing by which dirt is made difficult to adhere to fibre mainly by using the fluorine series of resin.
(38)	soil release finish	The finishing by which hydrophilic compound is added to hydrophobic synthetic fibre and the dirt is facilitated to remove by washing.
(39)	stretch finish	The finishing in which, after the yarn constituting fabric is bent, then fixed and the stretch property mainly in traverse direction is added.
(40)	tickproofing	The finishing by which tick is made so as not to approach the human body by sticking the tick inhibiting agent to woven and knitted fabric or by reducing the air permeability of fabric.
(41)	UV cut finish	The finishing carried out for protecting skin by shielding UV so that woven and knitted fabric is impregnated with or stuck to UV absorber.
(42)	wash and wear finish	The finishing carried out for the purpose of being capable of wearing without ironing after washing and drying cotton and its blended yarn fabric.
(43)	water absorbent finish	The finishing in which the hydrophobic surface of synthetic fibre is made hydrophilic and the water absorbing property is raised.
(44)	waterproofing	The finishing by which water is made difficult to pass through woven and knitted fabric.
(45)	water-repellent finish	The finishing carried out so as to add the water-repellent property to fibre.
(46)	wet decatizing	The wet type set in the scouring process of wool fabric. It is also called smoothing with stream or crabbing.
(47)	windbreak finish	The finishing in which wind is made difficult to pass by reducing air permeability by improving the weave of woven and knitted fabric and finishing of resin.
(48)	wire raising	The raising carried out so as to scratch the surface of woven and knitted fabric by using the roll wound with card clothing (wire raising machine).