CHAPTER 3
RULES OF ORIGIN

ARTICLE 3.1: DEFINITIONS

For the purposes of this Chapter:

aquaculture means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from seedstock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production, such as regular stocking, feeding, protection from predators, etc;

chapters, **headings and subheadings** mean the chapters, the headings and the subheadings (two, four and six digit codes respectively) used in the nomenclature which makes up the Harmonized System (HS);

CIF Value means the value of the goods, including freight and insurance costs up to named port of destination either in the territories of the Parties;

classified / **classification**, refer(s) to the classification of a product or material under a particular heading or sub-heading;

consignment means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;

customs value means the value as determined in accordance with Article VII of GATT 1994 and its interpretative notes, and the Customs Valuation Agreement;

ex-works price means the price paid for the product ex-works to the manufacturer in the territories of the Parties in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used, minus any internal taxes which are, or may be, repaid when the product obtained is exported;

goods means both materials and products;

manufacture means any kind of working or processing, including assembly or specific operations;

material means any ingredient, raw material, component or part, etc., used in the manufacture of the product;

product means the product manufactured, even if it is intended for later use in another manufacturing operation;

value of non-originating materials means the CIF value or if it is not known its equivalent in accordance with Article VII of GATT 1994 and its Interpretative Notes and the Customs Valuation Agreement.

ARTICLE 3.2: GENERAL REQUIREMENTS

1. For the purpose of implementing this Agreement, the following products shall be considered as originating in the territory of Israel:

(a) products wholly obtained in the territory of Israel within the meaning of Article 3.4;

(b) products obtained in the territory of Israel incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in the territory of Israel within the meaning of Article 3.5.

2. For the purpose of implementing this Agreement, the following products shall be considered as originating in the territory of the Republic of Colombia:

(a) products wholly obtained in the territory of the Republic of Colombia within the meaning of Article 3.4;

(b) products obtained in the territory of the Republic of Colombia incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in the territory of the Republic of Colombia within the meaning of Article 3.5.

3. Products originating in the territories of the Parties have to satisfy all other applicable requirements under this Chapter.

ARTICLE 3.3: ACCUMULATION OF ORIGIN

1. Notwithstanding Article 3.2.1(b), goods originating in the territory of Israel shall be considered as materials originating in the territory of the Republic of Colombia and it shall not be necessary that such materials had undergone working or processing.

2. Notwithstanding Article 3.2.2(b), goods originating in the territory of the Republic of Colombia shall be considered as materials originating in the territory of Israel and it shall not be necessary that such materials had undergone sufficient working or processing.

3. Subject to paragraph 4, where each Party has a trade agreement that, as contemplated by the WTO Agreement, concerns the establishment of a free trade area with a non-Party, the territory of that non-Party shall be deemed to form part of the territory of the free trade area established by this Agreement, for purposes of determining whether a good is an originating good under this Agreement.

4. A Party shall apply paragraph 3 only where provisions having equivalent effect to those of paragraph 3 are in force between each Party and the non-Party with

which each Party has separately concluded a free trade agreement. Where such provisions between a Party and the non-Party apply only to certain goods or under certain conditions, the other Party may limit the application of paragraph 3 to those goods and under such conditions, subject to the provisions of this Agreement.

ARTICLE 3.4: WHOLLY OBTAINED PRODUCTS

1. The following shall be considered as wholly produced or obtained in the territory of the Parties:

(a) mineral products extracted from the soil, subsoil or from the seabed of any of the Parties, including its territorial seas, contiguous zone, internal waters, continental shelf or exclusive economic zone;

(b) plants and vegetable products grown, collected, harvested there, including in their territorial seas, contiguous zone, internal waters, exclusive economic zone or continental shelf;

(c) live animals born and raised there, including by aquaculture;

(d) products from live animals as in subparagraph (c);

(e) animals and products obtained by hunting, trapping, collecting, fishing and capturing in a Party; including in its territorial seas, ccontiguous zone, internal waters, continental shelf or in the exclusive economic zone;

(f) used articles collected there fit only for the recovery of raw materials;

(g) waste and scrap resulting from utilization, consumption or manufacturing operations conducted there provided that such waste and scrap are fit only for recovery of raw materials;

(h) products of sea fishing and other products taken from the waters in the high seas (outside the continental shelf or in the exclusive economic zone of the Parties), only by their vessels;

(i) products of sea fishing obtained, only by their vessels under a specific quota or other fishing rights allocated to a Party by the international agreements to which the Parties are parties;

(j) products made aboard their factory ships exclusively from products referred to in subparagraphs (h) and (i);

(k) products obtained from the seabed and subsoil beyond the limits of national jurisdiction are considered to be wholly obtained in the Party that has exploitation rights under international law;

(l) goods produced in any of the Parties exclusively from the products specified in subparagraphs (a) to (g) above.

2. The terms 'their vessels' and 'their factory ships' in paragraphs 1(h), 1(i) and 1(j) shall apply only to vessels and factory ships:

(a) which are flagged and registered or recorded in a Party; and

(b) which are owned by a natural person with domicile in that Party or by a commercial company with domicile in that Party, established and registered in accordance with the law of that said Party and performing its activities in conformity with the law of that said Party.

ARTICLE 3.5: SUFFICIENTLY WORKED OR PROCESSED PRODUCTS

1. For the purpose of Articles 3.2.1(b) and Articles 3.2.2(b), a product is considered to be originating if the non-originating materials used in its manufacture undergo working or processing beyond the operations referred to in Article 3.6; and

(a) the production process results in a tariff change of the non-originating materials from a four-digit heading of the Harmonized System (HS) into another four-digit heading; or

(b) the value of all non-originating materials used in its manufacture does not exceed 50% of the ex-works price; or

(c) if the product falls within the classifications included in the list in Annex 3-A on Product Specific Rules of Origin (hereinafter referred to as PSR), subparagraphs (a) and (b) above shall not apply. In this case it must fulfill the specific rule detailed therein.

2. A product will be considered to have undergone a change in tariff classification pursuant to subparagraphs 1(a) and 1(c) above if the value of all non-originating materials that are used in the production of the good and that do not undergo the applicable change in tariff classification does not exceed 10% of the ex-works value of the product.

3. The Joint Committee may modify Annex 3-A by mutual agreement.

ARTICLE 3.6: MINOR PROCESSING OPERATIONS

1. Without prejudice to paragraph 2, the following operations shall be considered as minor processing and shall be insufficient to confer the status of originating goods, whether or not the requirements of Article 3.5 are satisfied:

(a) preserving operations to ensure that the products remain in good condition during transport and storage;

(b) simple changing of packaging, breaking-up and assembly of packages;

(c) washing, cleaning, removal of dust, oxide, oil, paint or other coverings;

(d) simple painting and polishing operations, including applying oil;

(e) husking, partial or total bleaching, polishing, and glazing of cereals and rice;

(f) ironing or pressing of textiles;

(g) operations to colour or flavor sugar or form sugar lumps partial or total milling of crystal sugar;

(h) peeling, stoning and shelling, of fruits, nuts and vegetables;

(i) sharpening, simple grinding or simple cutting;

(j) sifting, screening, sorting, classifying, grading, matching (including the making-up of sets of articles);

(k) affixing marks, labels, logos and other similar distinguishing signs on products or their packaging;

(l) diluting in water or other substances, provided that the characteristics of the product remain unchanged;

(m) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

(n) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts ;

(o) simple mixing of products, whether or not of different kinds, simple mixing of sugar with any material;

(p) slaughter of animals; and

(q) a combination of two or more of the operations specified in subparagraphs (a) to (p).

2. All operations carried out either in territory of the Republic of Colombia or in the territory of Israel on a given product shall be considered together when determining whether the working or processing undergone by that product is to be regarded as insufficient within the meaning of paragraph 1.

ARTICLE 3.7: UNIT OF QUALIFICATION

1. The unit of qualification for the application of the provisions of this Chapter shall be that of the particular product which is considered as the basic unit when determining classification using the nomenclature of the Harmonized System (HS). It follows that:

(a) when a product composed of a group or assembly of articles is classified under the terms of the Harmonized System (HS) in a single heading, the whole constitutes the unit of qualification; and

(b) when a consignment consists of a number of identical products classified under the same heading of the Harmonized System (HS), each product must be taken individually when applying the provisions of this Chapter.

2. Where, under General Rule 5 of the Harmonized System (HS), packaging is included with the product for classification purposes, it shall be included for the purposes of determining origin.

3. When the products qualify as wholly obtained according to Article 3.4, the packaging shall not be taken into consideration for the purposes of determining origin.

ARTICLE 3.8: ACCOUNTING SEGREGATION

1. For the purpose of establishing if a product is originating when in its manufacture are utilized originating and non-originating fungible materials, mixed or physically combined, the origin of such materials can be determined by any of the inventory management methods applicable in the Party.

2. Where considerable cost or material difficulties arise in keeping separate stocks of originating and non-originating materials which are identical and interchangeable, the so-called "accounting segregation" method may be used for managing such stocks.

3. This method must be able to ensure that the number of products obtained which could be considered as "originating" is the same as that which would have been obtained if there had been physical segregation of the stocks.

4. This method is recorded and applied on the basis of the general accounting principles applicable in the Party where the product was manufactured.

5. The user of this method may issue or apply for proofs of origin providing information about the inventory management method used, as the case may be, for the quantity of products which may be considered as originating. The management method selected for a particular fungible material or material shall continue to be used for that good or material throughout the fiscal year of the person that selected the inventory management method.

ARTICLE 3.9: ACCESSORIES, SPARE PARTS AND TOOLS

Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as one with the piece of equipment, machine, apparatus or vehicle in question.

ARTICLE 3.10: SETS

Sets, as defined in General Rule 3 of the Harmonized System (HS), shall be regarded as originating when all component goods are originating. Nevertheless, when a set is composed of originating and non-originating goods, the set as a whole shall be regarded as originating, provided that the CIF value of the non-originating goods does not exceed 15% of the ex-works price of the set.

ARTICLE 3.11: NEUTRAL ELEMENTS

In order to determine whether a product originates, it shall not be necessary to determine the origin of the following which might be used in its manufacture:

(a) energy and fuel;

(b) plant and equipment;

(c) machines and tools; and

(d) goods which do not enter into the final composition of the product.

ARTICLE 3.12: PRINCIPLE OF TERRITORIALITY

1. Except as provided in paragraph 3, the conditions for acquiring originating status set out in Article 3.5 must be fulfilled without interruption in the territory of Israel or in the territory of the Republic of Colombia.

2. Where originating goods exported from the territory of Israel or from the territory of the Republic of Colombia to a non-Party, return to the exporting Party, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities that:

(a) the returning goods are the same as those exported; and

(b) the non-Party have not undergone any operation beyond that necessary to preserve them in good condition while in that non-Party or while being exported.

3. Notwithstanding paragraphs 1 and 2, goods listed in Annex 3-F shall be considered originating goods in accordance with Annex 3-F, even if such goods have undergone operations and processes outside the territories of the Parties.

ARTICLE 3.13: DIRECT TRANSPORT

1. The preferential treatment provided for under this Agreement applies only to products, satisfying the requirements of this Chapter, which are transported directly between the territories of the Parties. However, products originating in the terrritories of the Parties and constituting one single consignment which is not split up may be transported through the territory of a non-Party with, should the occasion arise, transhipment or temporary warehousing in such territories, provided that the goods have remained under the surveillance of the customs authorities in the country of transit or temporary warehousing; and

(a) the transit entry is justified for geographical reasons or by consideration related exclusively to transport requirements; and

(b) they are not intended for trade, consumption, use or employment in the non-Party where the goods were in transit; and

(c) they do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition.

2. Evidence that the conditions set out in paragraph 1 have been fulfilled shall be supplied, upon request, to the customs authorities of the importing Party by the submission of:

(a) any single through transport documents, that meets international standards and that proves that the goods were directly transported from the exporting Party through the non-Party where the goods are in transit to the importing Party; or

(b) a certificate issued by the customs authorities of the non-Party where the goods were in transit, which contains an exact description of the goods, the date and place of loading and re-loading of the goods in that non-Party and the conditions under which the goods were placed; or

(c) in the absence of any of the above documents, any other documents that will prove the direct shipment.

3. Notwithstanding paragraphs 1 and 2, within one year from the entry into force of this Agreement, the Parties shall discuss the possibility of a mechanism for allowing that an originating good, which is transshipped through the territory of a non-Party with which each Party has entered separately into a free trade agreement under Article XXIV of GATT 1994 and its Interpretative Notes, will not lose its originating status.

ARTICLE 3.14: EXHIBITIONS

1. Originating goods, sent for exhibition in a non-Party other than the territory of either Party and sold after the exhibition for importation in the territory of either Party shall benefit on importation from the provisions of this Agreement provided it is shown to the satisfaction of the customs authorities that:

(a) an exporter has consigned these goods from the territory of either Party to the non-Party in which the exhibition is held and has exhibited them there;

(b) the goods have been sold or otherwise disposed of by that exporter to a person in the teritory of either Party;

(c) the goods have been consigned during the exhibition or immediately thereafter in the non-Party to which they were sent for exhibition; and

(d) the goods have not, since they were consigned for exhibition, been used for any purpose other than demonstration at the exhibition.

2. A proof of origin must be issued or made out in accordance with the provisions of this Chapter and submitted to the customs authorities of the importing Party in the normal manner. The name and address of the exhibition must be indicated thereon. Where necessary, additional documentary evidence of the conditions under which the products have been exhibited may be required.

3. Paragraph 1 shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display which is not organized for private purposes in shops or business premises with a view to the sale of foreign goods, and during which the goods, remain under customs control.

ARTICLE 3.15: GENERAL REQUIREMENTS FOR PROOF OF ORIGIN

For the purpose of this Chapter, Certificate of Origin refers to either an Electronic Certificate of Origin or a Paper Certificate of Origin.

1. Products originating in the territory of Israel shall, on importation into the territory of the Republic of Colombia, and products originating in the territory of the Republic of Colombia shall, on importation into Israel, benefit from this Agreement upon submission in accordance with the domestic law of the importing Party of one of the following proofs of origin:

(a) A Certificate of Origin, a specimen of which appears in Annex 3-B; or

(b) in the cases specified in Article 3.19, a declaration, subsequently referred to as the 'Invoice Declaration' given by an exporter on an invoice, delivery note, or any other commercial document, which

describes the products concerned in sufficient detail to enable them to be identified; the text of the Invoice Declaration appears in Annex 3-C.

2. Notwithstanding paragraph 1, originating products within the meaning of this Chapter shall, in the cases specified in Article 3.23, benefit from this Agreement without it being necessary to submit any of the documents referred to above.

ARTICLE 3.16: PROCEDURES FOR THE ISSUANCE OF CERTIFICATES OF ORIGIN

1. Certificates of Origin shall be issued by the customs authorities of the exporting Party, either upon an electronic application or an application in paper form, having been made by the exporter or under the exporter's responsibility by his or her authorized representative, in accordance with the domestic regulations of the exporting Party.

2. For the purpose of paragraph 1, the exporter or his or her authorized representative shall fill out the electronic application form in accordance with Annex 3-D and in the case of applications in paper form, in accordance with Annex 3-E. These forms shall be completed in English. In special cases, the importing Party may require a translation of the certificate of origin.

3. The exporter applying for the issuance of a Certificate of Origin shall be prepared to submit at any time, at the request of the customs authorities of the exporting Party, all appropriate documents proving the originating status of the goods concerned, as well as the fulfillment of the other requirements of this Chapter.

4. Certificates of Origin shall be issued if the goods to be exported can be considered as products originating in the exporting Party in accordance with Article 3.2.

5. The customs authorities shall take any steps necessary to verify the originating status of the products and the fulfillment of the other requirements of this Chapter. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's books or any other check considered appropriate.

6. Each Certificate of Origin will be assigned a specific number by the issuing customs authorities.

7. Certificates of Origin shall be issued by the customs authorities and made available to the exporter as soon as the actual exportation has been effected or insured.

ARTICLE 3.17: CERTIFICATES OF ORIGIN ISSUED RETROSPECTIVELY

1. Notwithstanding Article 3.16.7, a Certificate of Origin may exceptionally be issued after exportation of the products to which it relates if it was not issued at the time of exportation because of errors or involuntary omissions or special

circumstances or it is demonstrated to the satisfaction of the customs authorities that the Certificate was issued but was not accepted at importation for technical reasons.

2. For the implementation of paragraph 1, the exporter must indicate in his or her application the place and date of exportation of the products to which the Certificate of Origin relates, and state the reasons for his or her request.

3. The Customs Authority of the exporting Party may issue a Certificate of Origin retrospectively only after verifying that the information supplied in the exporter's application agrees with that in the corresponding file.

4. It shall be indicated on the Certificates of Origin issued in accordance with this Article that they were issued retrospectively in the appropriate field as detailed in Annex 3-B.

5. The provisions of this Article shall be applied to goods which comply with the provisions of this Agreement, and which on the date of its entry into force, are either in transit or are in the territory of the Parties in temporary storage under customs control. This shall be subject to the submission to the customs authorities of the importing Party, within six months from the said date, of a Certificate of Origin issued retrospectively by the Customs Authority of the exporting Party together with documents, showing that the goods have been transported directly in accordance with the provisions of Article 3.13.

ARTICLE 3.18: DUPLICATE CERTIFICATES OF ORIGIN

1. In the event of theft, loss or destruction of a Certificate of Origin in paper form, the exporter may apply to the customs authorities that issued it for a duplicate Certificate on the basis of the export documents in their possession.

2. It shall be indicated in the appropriate field on Certificates of Origin issued in accordance with this Article that they are duplicates, as detailed in Annex 3-B.

3. The duplicate, which shall bear the date of issue of the original Certificate of Origin, shall take effect as of that date.

ARTICLE 3.19: CONDITIONS FOR MAKING OUT AN INVOICE DECLARATION

1. An Invoice Declaration as referred to in Article 3.15.1 (b) may be made out by any exporter where the value of the originating good does not exceed US $1000 dollars.

2. The exporter making out an invoice declaration shall be prepared to submit at any time, at the request of the customs authorities of the exporting Party, all appropriate documents proving the originating status of the products concerned, as well as the fulfilment of the other requirements of this Chapter.

3. An Invoice Declaration shall be made out by the exporter by typing, stamping or printing on the invoice, the delivery note or another commercial document, the

declaration, the text of which appears in Annex 3-C. If the declaration is hand-written, it shall be written in ink in printed characters.

ARTICLE 3.20: VALIDITY OF PROOFS OF ORIGIN

1. Proofs of origin shall be valid for 12 months from the date of issue in the exporting Party, and must be submitted within that period to the customs authorities of the importing Party.

2. Proofs of origin which are submitted to the customs authorities of the importing Party after the final date for presentation specified in paragraph 1 may be accepted for the purpose of applying preferential treatment, where the failure to submit these documents by the final date is due to exceptional circumstances.

3. In other cases of belated presentation, the customs authorities of the importing Party may accept the proofs of origin where the products have been submitted before the said final date.

ARTICLE 3.21: SUBMISSION OF PROOFS OF ORIGIN

Proofs of Origin shall be submitted to the customs authorities of the importing Party in accordance with the procedures applicable in that Party. Those authorities may require the import declaration to be accompanied by a statement from the importer to the effect that the products meet the conditions required for benefiting from the application of this Agreement.

ARTICLE 3.22: IMPORTATION BY INSTALLMENTS

Where, at the request of the importer and on the conditions laid down by the customs authorities of the importing Party, dismantled or non-assembled products within the meaning of General Rule 2(a) of the Harmonized System (HS) are imported by installments, a single proof of origin for such products shall be submitted to the customs authorities upon importation of the first installment.

ARTICLE 3.23: EXEMPTIONS FROM PROOFS OF ORIGIN

1. Products sent as small packages from private persons to private persons or forming part of travellers' personal luggage shall be admitted as originating products without requiring the submission of a proof of origin, provided that such products are not imported by way of trade and have been declared as meeting the requirements of this Chapter and where there is no doubt as to the veracity of such a declaration. In the case of products sent by post, this declaration can be made on the customs declaration or on a sheet of paper annexed to that document.

2. Imports which are occasional and consist solely of products for the personal use of the recipients or travellers or their families shall not be considered as imports

by way of trade if it is evident from the nature and quantity of the products that no commercial purpose is in view.

3. Furthermore, the total value of these products shall not exceed US$ 1.000 in the case of small packages or US$ 1.000 in the case of products forming part of travellers' personal luggage.

4. For the purposes of paragraph 3, in cases where the products are invoiced in a currency other than US dollars, amounts in the national currencies of the Parties equivalent to the amounts expressed in US dollars shall be fixed in accordance with the current exchange rate applicable in the importing Party.

ARTICLE 3.24: SUPPORTING DOCUMENTS

1. The documents referred to in Articles 3.16.3 and 3.19.2 used for the purpose of proving that products covered by a Proof of Origin can be considered as products originating in the territory of either Party and fulfill the other requirements of this Chapter may consist, *inter alia*, of the following:

(a) direct evidence of the processes carried out by the exporter or supplier to obtain the goods concerned, contained for example, in his or her books;

(b) documents proving the originating status of materials used, issued or made out in the territory of either Party where these documents are used in accordance with their respective domestic law;

(c) documents proving the working or processing of materials in the territory of either Party, issued or made out in the territory of either Party , where these documents are used in accordance with their respective domestic law;

(d) Certificates of Origin or Invoice Declarations proving the originating status of materials used, issued or made out in the territory of either Party, in accordance with this Chapter.

2. In the case where an operator situated in a non-party which is not the exporting Party, issues an invoice covering the consignment, that fact shall be indicated in the Certificate of Origin in accordance with Annex 3-B.

ARTICLE 3.25: PRESERVATION OF PROOFS OF ORIGIN AND SUPPORTING DOCUMENTS

1. The exporter applying for the issue of the Certificate of Origin shall keep for at least five years the documents referred to in Article 3.16.3.

2. The exporter making out an Invoice Declaration shall keep for at least five years a copy of this invoice declaration, as well as the documents referred to in Article 3.19.2.

3. The exporting Party or the exporter, according to domestic law of the exporting Party that issued a Certificate of Origin shall keep for at least five years any document relating to the application procedure referred to in Article 3.16.2.

4. The importing Party or the importer, according to domestic law of the importing Party, shall keep for at least five years the Certificates of Origin and the Invoice Declarations submitted.

ARTICLE 3.26: DISCREPANCIES AND FORMAL ERRORS

1. The discovery of slight discrepancies between the statements made in the proofs of origin and those made in the documents submitted to the customs office for the purpose of carrying out the formalities for importing the products shall not *ipso facto* render the proofs of origin null and void if it is duly established that this document does correspond to the products submitted.

2. Obvious formal errors, such as typing errors, on a proof of origin should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.

ARTICLE 3.27: MUTUAL ASSISTANCE

1. The customs authorities of the Parties shall provide each other with the addresses of the customs authorities responsible for verifying Certificates of Origin and Invoice Declarations.

2. The customs authorities of the Parties shall provide each other with specimen impressions of stamps and signatures used in their customs offices for the issuance of Certificates of Origin in paper form, where applicable.

3. Any changes to the elements referred to in paragraph 1 or 2 shall be notified by the customs authorities of the Party concerned to the customs authorities of the other Party without undue delay, indicating the date when these changes come into effect.

4. In order to ensure the proper application of this Chapter, the Parties shall assist each other, through their respective customs authorities, in checking the authenticity of the Certificates of Origin, the Invoice Declarations and the correctness of the information given in these documents. Such assistance shall include, inter alia, granting designated customs officers of one Party access to the other Party's Internet site where Electronic Certificates of Origin are stored.

ARTICLE 3.28: VERIFICATION OF PROOFS OF ORIGIN

1. Subsequent verifications of proofs of origin shall be carried out at random or whenever the customs authorities of the importing Party have reasonable doubts as to the authenticity of proofs of origin, the originating status of the products concerned or the fulfilment of the other requirements of this Chapter.

2. For the purposes of implementing the provisions of paragraph 1, the customs authorities of the importing Party shall submit a written request for verification of origin to the customs authorities of the exporting Party. The request for verification shall include the number of the Certificate of Origin or a copy thereof if the Certificate of Origin is in paper form, or in the case of an Invoice Declaration, a copy thereof. In support of the request for verification, where needed, the reasons for the request should be indicated, and any documents and information obtained suggesting that the information given on the proofs of origin is incorrect should be attached.

3. The verification shall be carried out by the customs authorities of the exporting Party. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate.

4. If the customs authorities of the importing Party decide to suspend the granting of preferential treatment to the products concerned while awaiting the results of the verification, release of the products shall be offered to the importer subject to any precautionary measures judged necessary.

5. The customs authorities requesting the verification shall be informed of the results of this verification as soon as possible, but not later than ten months from the date of the request. These results must indicate clearly whether the information contained in the proofs of origin and the supporting documents is correct, and whether the products concerned can be considered as products originating in territory of the Parties and fulfil the other requirements of this Chapter.

6. If in cases of reasonable doubt there is no reply within ten months from the date of the verification request or if the reply does not contain sufficient information to determine the authenticity of the proofs of origin or the real origin of the products, the requesting customs authorities shall, except in exceptional circumstances, refuse entitlement to the preferences.

7. This Article shall not preclude the exchange of information or the granting of any other assistance as provided for Annex A (Mutual Administrative Assistance in Customs Matters) to the Agreement.

8. For the purposes of this Article, communications between the customs authorities of the importing and the exporting Parties shall be conducted in the English language.

ARTICLE 3.29: DISPUTE SETTLEMENT

1. Where disputes arise in relation to the verification procedures of Article 3.28 which cannot be settled between the Customs Authority requesting a verification and the Customs Authority responsible for carrying out the verification or where a question is raised by one of the customs authorities as to the interpretation of this Chapter, the matter shall be submitted to the Sub-committee on Customs, Trade Facilitation and Rules of Origin established by the Joint Committee in accordance with Chapter 13 (Institutional Provisions) of this Agreement.

2. If no solution is reached, Chapter 12 (Dispute Settlement) of this Agreement shall apply.

3. In all cases, disputes between the importer and the customs authorities of the importing Party shall be treated under the law of the importing Party.

ARTICLE 3.30: FREE ECONOMIC ZONES

1. The exporting Party shall take all necessary measures to ensure that products covered by a proof of origin, which are transported through a free zone situated in its territory, are not substituted by other products or undergo any processing other than required for their preservation.

2. Notwithstanding paragraph 1, when products originating in the territory of either Party enter into a free zone situated in their territory under cover of a proof of origin and undergo treatment or processing, the authorities concerned shall issue a new Certificate of Origin at the exporter's request, if the treatment or processing undergone is in conformity with the provisions of this Chapter.