



AUSTRALIAN CUSTOMS NOTICE NO. 2005/01

Amendment to the *Customs Regulations 1926* – Australian exports under the Thailand-Australia Free Trade Agreement

The Thailand-Australia Free Trade Agreement (TAFTA) is expected to enter into force on 1 January 2005. It will impose certain obligations on people who export goods to Thailand and who wish to obtain preferential tariff treatment in respect of the goods, and on people who produce such goods.

Those obligations are contained in amendments to the *Customs Regulations 1926* made by Statutory Rule No 365 of 2004 and are *Customs Amendment Regulation 2004 (No.7)* that were notified in Special Gazette No. S544 of 23 December 2004. The purpose of this Australian Customs Notice (ACN) is to summarise those obligations.

Legislation

The *Customs Amendment (Thailand-Australia Free Trade Agreement Implementation) Act 2004* inserted a new Division 4C into Part VI of the *Customs Act 1901*. Division 4C imposes certain obligations on people who export goods to Thailand and who wish to obtain preferential tariff treatment in respect of the goods, as well as on people who produce those goods.

New regulations 105D and 105E of the *Customs Regulations 1926* have been made for the purposes of Division 4C.

Record keeping obligations

Exporter that is not a manufacturer

Under regulation 105D, an exporter that is not the producer of the goods must keep:

- (a) records of the exporter's purchase of the goods;
- (b) records of the purchase of the goods by the person to whom the goods are exported;
- (c) evidence that payment has been made for the goods;
- (d) evidence of the classification of the goods under the Harmonized System;
- (e) if the goods include any spare parts, accessories or tools that were purchased by the exporter:
 - (i) records of the purchase of the spare parts, accessories or tools; and
 - (ii) evidence of the value of the spare parts, accessories or tools;
- (f) if the goods include any spare parts, accessories or tools that were produced by the exporter:
 - (i) records of the purchase of all materials that were purchased for use or consumption in the production of the spare parts, accessories or tools; and
 - (ii) evidence of the value of the materials; and
 - (iii) records of the production of the spare parts, accessories or tools;
- (g) if the goods are packaged for retail sale in packaging material or a container that was purchased by the exporter:
 - (i) records of the purchase of the packaging material or container; and
 - (ii) evidence of the value of the packaging or container;

- (h) if the goods are packaged for retail sale in packaging material or a container that was produced by the exporter:
 - (i) records of the purchase of all materials that were purchased for use or consumption in the production of the packaging material or container; and
 - (ii) evidence of the value of the materials; and
 - (iii) records of the production of the packaging material or container;
- (i) a copy of the Certificate of Origin in relation to the goods.

Producer (whether or not an exporter)

Under regulation 105E, the producer must keep all records associated with:

- (a) records of the purchase of the goods;
- (b) if the producer is the exporter of the goods — evidence of the classification of the goods under the Harmonized System;
- (c) evidence that payment has been made for the goods;
- (d) evidence of the value of the goods;
- (e) records of the purchase of all materials that were purchased for use or consumption in the production of the goods and evidence of the classification of the materials under the Harmonized System;
- (f) evidence of the value of those materials;
- (g) records of the production of the goods;
- (h) if the goods include any spare parts, accessories or tools that were purchased by the producer:
 - (i) records of the purchase of the spare parts, accessories or tools; and
 - (ii) evidence of the value of the spare parts, accessories or tools;
- (i) if the goods include any spare parts, accessories or tools that were produced by the producer:
 - (i) records of the purchase of all materials that were purchased for use or consumption in their production; and
 - (ii) evidence of the value of the materials; and
 - (iii) records of the production of the spare parts, accessories or tools;
- (j) if the goods are packaged for retail sale in packaging material or a container that was purchased by the producer:
 - (i) records of their purchase; and
 - (ii) evidence of the value of the packaging material or container;
- (k) if the goods are packaged for retail sale in packaging material or a container that was produced by the producer:
 - (i) records of the purchase of all materials that were purchased for use or consumption in the production of the packaging material or container; and
 - (ii) evidence of the value of the materials; and
 - (iii) records of the production of the packaging material or container;
- (l) a copy of the Certificate of Origin in relation to the goods.

Duration and form of records to be kept

All records must be kept:

- (a) for five years from the date of issue of the Certificate of Origin in relation to the goods;
- (b) in a form that would enable the determination of whether the goods are Australian originating goods, in accordance with TAFTA; and
- (c) in a form and place that would enable an English translation to be readily made.

The records may be kept in mechanical or electronic form, provided they can be readily converted to a hard copy in English.

Production and disclosure of records

The Australian Customs Service (Customs) can require an exporter or a producer of goods to produce the records it is required to keep. Customs can also ask the exporter or producer questions to verify that the goods are Australian originating goods for the purposes of obtaining a preferential tariff in Thailand.

Any records produced to Customs, and any responses to Customs questions, can be disclosed to a Thai Customs official.

Rules of origin

The rules of origin under TAFTA for Thai originating goods, including consignment rules, are summarised in ACN No. 2004/51. The Thai Government has introduced reciprocal rules of origin for Australian originating goods.

Other charges

While preferential tariffs will apply to goods imported into Thailand on and from entry into force of TAFTA, other Government taxes and charges, if relevant, will still be payable.

Certificates of Origin

To qualify for a preferential tariff in Thailand, Australian goods will require a Certificate of Origin.

A Certificate of Origin will be issued for a single shipment and will apply only to the goods described therein.

A Certificate of Origin can be obtained from the Australian Chamber of Commerce and Industry (ACCI) or from the Australian Industry Group (AIG).

The procedures for obtaining a Certificate of Origin will be published shortly on the Department of Foreign Affairs and Trade website, www.dfat.gov.au.

In the meantime, ACCI contacts are listed in Appendix 13 to Australian Customs Manual Volume 12, Export Control, which is available on the Customs website at www.customs.gov.au. The AIG contact is:

Trade and Development Officer
Australian Industry Group
PO Box 7622
MELBOURNE VIC 8004
Telephone: (03) 9867 0152

Any enquiries concerning this ACN should be directed to the origin mailbox, origin@customs.gov.au, or to Origin, Trade Branch on telephone number (02) 6275 6556.

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CANBERRA ACT

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