

## **Annex 3**

### **Procedures for the Issuing and Verification of Certificates of Origin**

1. Pursuant to the Mainland and Hong Kong Closer Economic Partnership Arrangement (hereinafter referred to as the “CEPA”), the Mainland and the Hong Kong Special Administrative Region have concluded this Annex on the procedures for the issuing and verification of certificates of origin, and for strengthening enforcement co-operation between the two sides.
2. The issuing authorities of certificates of Hong Kong origin are the Hong Kong Trade and Industry Department and the “approved bodies” specified in the “Protection of Non-Government Certificates of Origin Ordinance” (Chapter 324, Laws of Hong Kong). If there is any change to the Hong Kong issuing authorities, the Customs General Administration will be informed immediately.
3. The content and format of the certificate of Hong Kong origin is set out in Form 1. Form 1 is an integral part of this Annex. Any change to the content and format of the certificate of origin will be agreed by both sides through consultation.
4. The Hong Kong Trade and Industry Department will provide specimens of the official stamps on the certificates of origin to the Customs General Administration for record purpose. If there is any change to the official stamps used on the certificates of origin, the Customs General Administration will be informed immediately.
5. Prior to exportation of goods of Hong Kong which are entitled to zero tariff under the “CEPA”, the exporter or

manufacturer will apply for a certificate of Hong Kong origin from the Hong Kong issuing authorities.

6. A certificate of Hong Kong origin issued by the Hong Kong issuing authorities must satisfy the following requirements:

- (1) A certificate of origin will have a unique certification reference number.
- (2) Each certificate of origin will only cover one batch of goods that enter into the Mainland at the same time. A certificate of origin may contain not more than five eight-digit tariff heading items, and all of them must be goods listed in Table 1 of Annex 1 of the “CEPA”.
- (3) A certificate of origin will specify the designated single port of discharge.
- (4) The Mainland Harmonized System code for products on a certificate of origin will be completed in accordance with the eight-digit tariff code stipulated in the applicable “Customs Import and Export Tariff of the People’s Republic of China”.
- (5) The quantity unit on a certificate of origin will be completed by reference to the applicable quantity unit as used in the actual transaction.
- (6) Correction or double printing is not allowed on a certificate of origin; otherwise, the certificate must be re-issued.
- (7) A certificate of origin will be valid for 120 days from the date of issue.
- (8) A certificate of origin will be printed in Chinese on A4 size paper according to the format of Form 1. This language requirement will be implemented not later

than 1 July 2004.

- (9) In the event of theft, loss or damage of a certificate of origin, the exporter or manufacturer may make a written request to the Hong Kong issuing authorities for the issue of a duplicate certificate. The exporter or manufacturer will ensure that the original copy has not been used. The duplicate certificate will bear the words "certified true copy". If the original certificate has been used, the duplicate certificate will be invalid. If the duplicate certificate has been used, the original certificate will be invalid.

7. The two sides will administer the origin declarations of Hong Kong goods which are entitled to zero tariff under the "CEPA" through interconnection, and will transmit the following information by means of electronic data interchange through a dedicated line to the Customs General Administration:

- (1) From 1 January 2004, the Hong Kong Trade and Industry Department will, within ten days after the end of each quarter, transmit to the Customs General Administration production data and information on certificates of origin issued for Hong Kong goods benefiting from zero tariff in the previous quarter;
- (2) After the issue of a certificate of origin by the Hong Kong issuing authorities, the Hong Kong Trade and Industry Department will immediately transmit basic information on the certificate of origin, including the certificate number, name of exporter, factory registration number, port of discharge, Mainland Harmonised System code of the product, product name, quantity unit and quantity, amount and currency, and the name of the Hong Kong issuing authority, etc., to the Customs General Administration through a designated line;

- (3) The customs administration at the port of clearance will verify the certificate of origin submitted by the importer against the electronic data transmitted by the Hong Kong Trade and Industry Department. If the information is verified to be in order, the verification and endorsement process should be completed within 7 days and the Hong Kong Trade and Industry Department should be informed of the completion;
- (4) Other information which is considered necessary by the two sides.

8. In making an import declaration, the importer should take the initiative to inform the customs administration at the port of clearance that the goods are eligible for zero tariff and submit a valid certificate of origin. If the information is verified to be in order through interconnection by the customs administration at the port of clearance, the imported goods will be granted zero tariff treatment. In the event that the information cannot be verified through interconnection, the customs administration at the port of clearance may, at the request of the importer, act in accordance with the stipulated import procedures and release the goods. However, a deposit of an amount equal to the tariff charged at the applicable “non-CEPA” import tariff rate will be collected for the goods concerned. The customs administration at the port of clearance will verify the details on the certificate of origin within 90 days following the release of the goods and, in accordance with the verification results, proceed with the procedure to either return the deposit or convert the deposit to import tariff.

9. If the customs administration at the port of clearance has doubts about the authenticity of the content of a certificate of origin, it may, through the Customs General Administration or its authorised customs unit, seek assistance from the Hong Kong Customs and Excise Department for verification. The Hong Kong Customs and Excise Department will respond within 90 days after receiving such requests. If the Hong Kong Customs and Excise Department cannot complete the verification and confirm the status

of the certificate of origin of the goods concerned within 90 days, the Customs General Administration may notify the customs administration at the port of clearance to act in accordance with the stipulated import procedures and release the goods. However, a deposit of an amount equal to the tariff charged at the applicable “non-CEPA” import tariff rate will be collected for the goods. After verification by the Hong Kong Customs and Excise Department, the customs administration at the port of clearance will, in accordance with the verification results, immediately proceed with the procedure to either return the deposit or convert the deposit to import tariff.

10. The two sides may incorporate the administrative assistance required for the purpose of implementing the rules of origin in Annex 2 of the “CEPA” and this Annex in the “Customs Co-operative Arrangement” concluded between the Customs General Administration and the Hong Kong Customs and Excise Department. The two sides may exchange relevant information, including information about the origin of the goods imported from Hong Kong to the Mainland, the authenticity of the contents in a certificate of origin, whether the Hong Kong goods enjoying zero tariff comply with the rules of origin, and other information which may facilitate the monitoring of the proper implementation of this Annex. If need be, the staff of one side may conduct visits to the other side for the purpose of understanding the relevant situation subject to the agreement of both sides.

11. The customs administrations of the two sides will notify each other and take action according to applicable laws if the investigation by one side confirms that goods subject to zero tariff do not comply with the requirements set out in Table 1 of Annex 2 of the “CEPA” and this Annex.

12. Both sides will maintain the confidentiality of information in respect of information exchanged for the purpose of verifying the origin of goods imported. In the absence of consent from the applicant of the certificate of origin, no such information will be disclosed or used for other purposes, unless it is required by

judicial proceedings.

13. This Annex will come into effect on the day of signature by the representatives of the two sides.

Signed in duplicate in Hong Kong, this 29th day of September 2003 in the Chinese language.

Vice Minister of Commerce  
People's Republic of China

Financial Secretary  
Hong Kong Special  
Administrative Region of the  
People's Republic of China

(signature)

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