

## Indonesia – Iran PTA

### Rules of Origin

#### TITLE I GENERAL PROVISION

##### Article 1 Definition

- a) the term "competent authority" means the authority that, according to the legislation of each Party, is responsible for the issuing of a certificate of origin or for the designation of certification entities or bodies. In the case of Indonesia, the Ministry of Trade and in the case of Iran, the Chamber of Commerce;
- b) the term "goods" means both material and the products;
- c) the term "production" means a method of obtaining goods including manufacturing, assembling, processing, raising, growing, breeding, mining, extracting, harvesting, fishing, trapping, gathering, collecting, hunting and capturing;
- d) the term "material" means a good that is used in the production of another good;
- e) the term "FOB" is 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;
- f) the term "territory" means the land territories, territorial sea including sea-bed and subsoil thereof, archipelagic waters, internal waters, airspace over such territories, sea and waters, as well as continental shelf and exclusive economic zone, over which the Party has sovereignty, sovereign rights or jurisdiction, as defined in its laws and regulations, and in accordance with international laws including the United Nations Convention on the Law of the Sea, done at Montego Bay, December 10, 1982;
- g) CIF means the value of the good imported, and includes the cost of freight and insurance up to the port or place of entry into the country of importation;
- h) "Ex-Works Price" means the price paid or payable for the good to the manufacturer in the party's territory in whose undertaking the last working or processing is carried out, provided that the price includes the value of all the materials used, excluding any internal taxes which are, or may be repaid when the good obtained is exported;
- i) "Non-originating Material" used in production means any material whose country of origin is other than that of the Parties and any material whose origin are unknown;
- j) "Originating Goods" means goods that qualify as originating in accordance with the provisions of the Rules of Origin in this annex of the agreement;

<sup>2<sup>nd</sup></sup> Intersessional/TNC: DELETED.

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#### TITLE II ORIGINATING PRODUCTS

##### Article 2 General Requirements

Products covered by the Agreement imported into the territory of a Party from the other Party shall be deemed to be originating and eligible for preferential concessions if they conform to the origin requirement under any one of the following conditions:

- (a) products wholly produced or obtained in the exporting Party as defined in Article 3; or
- (b) products obtained in a Party incorporating materials which have not been wholly obtained there, provided that the said products are eligible under Article 4 or Article 5.

### Article 3 Wholly produced or obtained products

1. Within the meaning of Article 2(a), the following shall be considered as wholly produced or obtained in the exporting party:

- (a) Plant and plant products harvested, picked or gathered there;
- (b) Live animals born and raised there;
- (c) Products obtained from live animals born and or raised there;
- (d) Products obtained from hunting, trapping, fishing, aquaculture, gathering or capturing conducted there;
- (e) Minerals and other naturally occurring substances, not included in paragraphs (a) to (d), extracted or taken from its soil, waters, seabed or beneath their seabed;
- (f) Products of sea fishing and other marine products taken from the sea outside the territorial waters of the Parties by their vessels, provided that the Party has the right to exploit the sea outside the territorial waters;
- (g) Products processed and/or made on boards their factory ships exclusively from products referred to in subparagraph (f) under this Article;
- (h) Used articles collected in the Contracting Party fit only for the recovery of the raw material;
- (i) Scrap and waste derived from manufacturing or processing operations or from consumption in the Party and fit only for disposal or for the recovery of raw materials;
- (j) Goods produced there exclusively from the products referred to in paragraph (a) to (i) under this Article.

2. The terms "their vessels" and "their factory ship" in paragraph 1 (f) and (g) under this Article shall apply only to vessels and factory ships:

- a) which are registered or recorded in a Party; and
- b) which sail under the flag of a Contracting Party; and
- ~~c) [which are owned to a extent of at least 60 percent by national of a Party, or by a company with its head office in a Party, of which the managers, Chairman of the Board of Directors or the Supervisory Board, and the majority of the members of such boards are nationals of a Party and of which, in addition, in the case of partnerships or limited companies, at least half the capital belongs to the Parties or to public bodies or nationals of the Parties; and~~
- ~~d) of which at least 50 percent of the total of the master, officers and crew are nationals of the Parties.]~~

d)e) ~~Intersessional2TNC: Indonesia proposed to delete para c and d, Iran will consider.~~

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Intersessional Meeting 30 May 2022: Iran agreed ID proposal to deleted para c and d

#### Article 4 Sufficiently worked or processed products

1. Within the meaning of Article 2 (b), a product shall be deemed to be originating if the total value of the non-originating materials, part or production does not exceed [IR: 60%] [ID: 65%] of the Ex-Works Price provided that the final process of the manufacturing is performed within the territory of the exporting Party.
2. Paragraph 1 shall apply subject to the provisions of Article 6.
3. for the purpose of Article 4(1), the formula for the Non Party content is calculated as follows:

$$\frac{[\text{Exwork price}] - \text{value of Originating materials}}{\text{Ex - Works Price}} \times 100\% \leq [\text{IR: 60\%}][\text{ID: 65\%}]$$

4. The value of Non-Originating materials shall be:
  - (a) the CIF value at the time of importation of the materials; or
  - (b) the earliest ascertained price paid for the materials of undetermined origin in the territory of the Party where the working or processing takes place.

notes: TNC 4<sup>th</sup>: IR proposed to change the threshold and calculation base;

TNC 5<sup>th</sup>: IR agreed to use 60% but for ex-works price;

IntersessionalTNC: Indonesia's proposal: non-originating 65% of the ex-works price or back to 60% FOB. Iran's proposal: non-originating 60% of the ex-work price

2<sup>nd</sup> IntersessionalTNC: IRAN proposed to change the criteria to 50% to FOB if Indonesia preferred.

Intersessional Meeting 30 May 2022: Iran's proposal non-originating 60% ex-works price or 50% FOB, ID still retain Indonesia's proposal: non-originating 60% FOB.

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#### Article 5 Cumulative of Origin

For the purposes of Article 2 (General Requirements), a good which complies with the origin requirements provided therein and which is used in another Party as a material in the production of another good shall be considered to originate in the Party where working or processing of the finished good has taken place.

#### Article 6 Insufficient working or processing

1. Notwithstanding any provisions in this Annex, a good shall not be considered to be originating in the territory of a Party if the following operations are undertaken exclusively by itself or in combination in the territory of that Party:
  - (a) preserving operations to ensure that the good remains in good condition during transport and storage;
  - (b) changes of packaging, breaking-up and assembly of packages;
  - (c) washing, cleaning, removal of dust, oxide, oil, paint or other coverings;
  - (d) painting and polishing operations;
  - (e) operations to color sugar or form sugar lumps;
  - (f) peeling, stoning, or un-shelling;
  - (g) simple sharpening, grinding or cutting;
  - (h) sifting, screening, sorting, classifying, grading, matching;
  - (i) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

- (j) affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;
- (k) simple mixing<sup>1</sup> of products, whether or not of different kinds;
- (l) simple<sup>2</sup> assembly of parts of articles to constitute a complete article or disassembly of products into parts;
- (m) testing or calibrations;
- (n) slaughtering<sup>3</sup> of animals;

2. The value of packaging materials and containers shall be taken into in its origin assessment, where the packaging materials and containers for retail sale are considered to be forming a whole with the good.

3. Packing materials and containers for transportation and shipment shall not be taken into account when determining whether a good is originating.

#### **Article 7 Accessories, Spare Parts and Tools**

1. For the purposes of determining the origin of a good, accessories, spare parts, tools and instructional or other information materials presented with the good shall be considered part of that good and shall be disregarded in determining whether all the non-originating materials used in the production of the originating good have undergone the applicable change in tariff classification, provided that:
  - a. the accessories, spare parts, tools and instructional or other information materials presented with the good are not invoiced separately from the originating good; and
  - b. the quantities and value of the accessories, spare parts, tools and instructional or other information materials presented with the good are customary for that good.
2. Notwithstanding Paragraph 1, if the good is subject to a qualifying value content requirement, the value of the accessories, spare parts, tools and instructional or other information materials presented with the good shall be taken into account as originating or non-originating materials, as the case may be, in calculating the qualifying value content of the good.
3. Paragraphs 1 and 2 do not apply where accessories, spare parts, tools and instructional or other information materials presented with the good have been added solely for the

<sup>1</sup> simple mixing" generally describes an activity which does not need special skills, machines, apparatus or equipment especially produced or installed for carrying out the activity. However, simple mixing does not include chemical reaction. Chemical reaction means a process (including a biochemical process) which result in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

<sup>2</sup> "simple" generally describes an activity which does not need special skills, machines, apparatus or equipment especially produced or installed for carrying out the activity.

<sup>3</sup> "slaughtering" means the mere killing of animals and subsequent processes such as cutting, chilling, freezing, salting, drying or smoking, for the purpose of preservation for storage and transport.

purpose of artificially raising the qualifying value content of that good, provided it is proven subsequently by the importing Party that they are not sold therewith.

#### Article 8 Neutral elements

In order to determine whether a good originates, it shall not be necessary to determine the origin of the following which might be used in its production and not incorporated into the good:

- a. fuel and energy;
- b. tools, dies and moulds;
- c. spare parts and materials used in the maintenance of equipment and buildings;
- d. lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;
- e. gloves, glasses, footwear, clothing, safety equipment and supplies;
- f. equipment, devices and supplies used for testing or inspecting the good;
- g. catalyst and solvent; and
- h. any other goods that are not incorporated into the good but of which use in the production of the good can reasonably be demonstrated to be a part of that production.

#### [IR: Article 9 Prohibition

Any Party [ID: Iran] may prohibit importation of products containing any inputs originating from non-participating countries with which it does not want to have economic and commercial relations according to their [ID: its] rules and regulations.]

*Note at 2<sup>nd</sup> intersessional meeting: Based on Iran's regulation, Iran prohibits importation only from Israel. Indonesia will consult internally.*  
*Intersessional Meeting 30 May 2022: Indonesia will consult internally*

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### TITLE III TERRITORIAL REQUIREMENTS

#### Article 10 Direct Consignment

The following shall be considered as directly consigned from the exporting Party to the importing Party:

- (a) If the products are transported without passing through the territory of any non-Party;
- (b) The products whose transport involves transit through one or more intermediate non-Parties with or without transshipment or temporary storage in such countries, provided that:
  - (i) The transit entry is justified for geographical reasons or by considerations related exclusively to transport requirements;
  - (ii) The products have not entered into trade or consumption there;
  - (iii) The products have not undergone any operation there other than unloading and reloading or any operation required to keep them in good condition and

- (iv) Evidence that the conditions set out in (ii) and (iii) above has been complied with, such as through Bill of Lading or a single transport document covering the passage from the exporting country through the country of transit, and any substantiating documents.

#### **Article 11 Exhibitions**

1. Originating products, sent for exhibition to other Contracting Party's territory and sold during or after the exhibition, 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 products from a Contracting Party to the other Contracting Party in which the exhibition is held and has exhibited them there;
  - (b) the products have been sold or otherwise disposed of by that exporter to a person in a Party;
  - (c) the products have been consigned during the exhibition or immediately thereafter in the state in which they were sent for exhibition; and
  - (d) the products have not, since they were consigned for exhibition, been used for any purposes other than demonstration at the exhibition.
2. A certificate of origin must be issued or made out in accordance with the provisions of Title IV and submitted to the customs authorities of the importing country 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 they 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 products, and during which the products remain under customs control.

#### **TITLE IV CERTIFICATE OF ORIGIN**

##### **Article 12 General requirement**

For the purpose of implementing the Rules of Origin under the Preferential Trade Agreement between Indonesia and Iran, the following operational procedures on the issuance and verification of the Certificate of Origin (Form IDIR) shall apply according to articles 13 to 21.

##### **Article 13 Issuing Authorities**



1. The Certificate of Origin shall be issued by the relevant competent authorities designated by the government of the exporting Party. Details of competent authorities shall be notified by each Party to the other Party.
2. The competent authority shall provide the names, addresses, specimen signatures and specimens of the impressions of official seals of their respective issuing competent authority to the other Party. Any subsequent changes shall be promptly notified to the other Party.
3. Any Certificate of Origin issued by a person not notified according to para 1 and 2 of this Article, may not be honored by the Customs Authority of the importing Party.

#### **Article 14 Supporting documents**

For the purpose of determining origin status of a product, any competent authorities shall have the right to call for supporting documentary evidence and/or other relevant information to carry out any check considered appropriate in accordance with respective domestic laws, regulations and administrative practices.

#### **Article 15 Procedure for the issuance of a Certificate of Origin**

1. The manufacturer, producer, or exporter of the good or its authorized representative shall apply in writing or by electronic means to a competent Authority, in accordance with the exporting Party's domestic laws, regulations and relevant procedures, requesting a pre-exportation examination of the origin of the good to be exported.
2. The result of the pre-exportation examination, subject to review periodically or whenever appropriate, shall be accepted as the supporting evidence in verifying the origin of the said products to be exported thereafter. The pre-exportation examination may not apply to the products of which, by their nature, origin can be easily verified.
3. At the time of carrying out the formalities for exporting the products under preferential treatment, the exporter or his authorized representative shall submit a written application or in electronic means for the Certificate of Origin together with appropriate supporting documents proving that the products to be exported qualify for the issuance of a Certificate of Origin.
4. The competent authorities designated to issue the Certificate of Origin shall, to the best of their competence and ability, carry out proper examination upon each application for the Certificate of Origin to ensure that:
  - a. The application and the Certificate of Origin are duly completed and signed by the authorized signatory;
  - b. The origin of the product is in conformity with the Rules of Origin for the Preferential Trade Agreement between Iran and Indonesia;
  - c. The description, quantity and weight of the goods, marks and serial number of packages, number and kinds of packages, as specified, conform to the goods to be exported;

- d. The other statements of the Certificate of Origin correspond to supporting documentary evidence submitted;
  - e. Multiple items declared on the same certificate of origin, shall be allowed, provided that each item qualifies separately in its own right.
5. The Certificate of Origin must be on ISO A4 size paper in conformity to the specimen as shown in the attachment of this annex. It shall be made in English.
  6. The Certificate of Origin shall comprise one original and two copies.
  7. Each Certificate of Origin shall bear a reference number separately given by each place or office of issuance.
  8. The original shall be forwarded, by the exporter to the importer for submission to the Customs Authorities at the port of place of importation. Duplicate copy shall be retained by the issuing authority in the exporting country, and the triplicate copy shall be retained by the exporter.
  9. To implement the provisions of Origin Criteria of the Rules of Origin, the Certificate of Origin issued by the exporting Party shall indicate the relevant rules and applicable percentage in the relevant column of the Form IDIR as reflected in the attachment.
  10. The place and date of issuing of the Certificate of Origin shall be indicated in Box [xx] of the certificate.
  11. A Certificate of Origin shall be issued by the competent authorities and made available to the exporter as soon as actual exportation has been effected or ensured.

#### **Article 16 Certificate of Origin issued retrospectively**

1. The Certificate of Origin shall be issued by the competent authorities of the exporting Party before or at the time of exportation or within 3 days thereafter whenever the products to be exported can be considered originating in that Party within the meaning of the Rules of Origin.
2. In exceptional cases where a Certificate of Origin has not been issued before or at the time of exportation or soon thereafter due to involuntary errors or omissions or other valid causes, the Certificate of Origin may be issued retroactively but no longer than ~~{12}~~{6} months from the date of shipment, bearing the words in which case it is necessary to indicate "ISSUED RETROSPECTIVELY" in Box [XX]13 of the Form IDIR.

Note at intersessional meeting: Indonesia considers 12 months while Iran 6 months.

2<sup>nd</sup> Intersessional TNC: agreed.

#### **Article 17 Issuance of a duplicate Certificate of Origin**

1. In the event of theft, loss or destruction of a Certificate of Origin, the exporter may apply to the competent authorities which issued it for a duplicate made out on the basis of the export documents in their possession.



2. The duplicate issued in the way must be endorsed with the following "CERTIFIED TRUE COPY".
3. The endorsement referred to in paragraph 2 shall be inserted in the Box [x (remarks)] of the duplicate Certificate of Origin.
4. The duplicate, which must bear the date of issue of the original Certificate of Origin, shall take effect as from that date.
5. The duplicate shall be issued no later than ~~{ID:one year} {IR:six months}~~ from the date of issuance of the original certificate of origin.

Note at intersessional meeting: Indonesia 1 year while Iran 6 months

2<sup>nd</sup> IntersessionalTNC: agreed.

#### **Article 18 Validity of Certificate of Origin**

1. A Certificate of origin shall be valid for ~~{ID:twelve} {IR:six}~~ months from the date of issue in the exporting country, and must be submitted within the said period to the customs authorities of the importing country.
2. Certificate of origin which are submitted to the customs authorities of the importing country 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 set is due to force majeure.
3. In other cases of belated presentation, the customs authorities of the importing country may accept the certificate of origin where the products have been submitted before the said final date.

2<sup>nd</sup> IntersessionalTNC: agreed.

#### **Article 19 Submission of Certificate of Origin**

Certificate of origin shall be submitted to the customs authorities of the importing country in accordance with the procedures applicable in that country. The said authorities may require the relevant document to be accompanied by a statement from the importer to the effect that the products meet the conditions required for the implementation of this agreement.

#### **Article 20 Preservation of Certificate of Origin and supporting documents**

1. For the purposes of the issuance of certificate of origin and verification process pursuant to Article 18 and 25, the producer and/or exporter applying for the issuance of a Certificate of Origin shall keep its supporting records for application for not less than three (3) years from the date of issuance of the Certificate of Origin.
2. The importer shall keep records relevant to the importation for not less than 3 years from the date of issuance of certificates of origin.
3. The application for Certificates of Origin and all documents related to such application shall be retained by the issuing authority for not less than three (3) years from the date of issuance.
4. Any information communicated between the Parties concerned shall be treated as confidential and shall be used for the validation of Certificates of Origin purpose only.

#### **Article 21 Discrepancies and formal errors**

1. The discovery of slight discrepancies between the statements made in the Certificate 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 Certificate of Origin null and void if it is duly established by the customs authority of the importing country that this document does correspond to the products submitted.
2. Obvious formal errors such as typing errors on Certificate 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.

## **TITLE V ARRANGEMENTS FOR ADMINISTRATIVE COOPERATION**

### **Article 22 Verification of proofs of origin**

1. The importing Party may request the issuing authority of the exporting Party to conduct a retroactive check at random and/or when the importing Party has reasonable doubt as to the authenticity of the document or as to the accuracy of the information regarding the true origin of the good in question or of certain parts thereof. Upon such request, the issuing authority of the exporting Party shall conduct a retroactive check on a producer's and/or exporter's cost statement based on the current cost and prices within a six-month timeframe of the specified date of exportation, subject to the following procedures:
  - a. the request of the importing Party for a retroactive check shall be accompanied with the Certificate of Origin concerned and shall specify the reasons and any additional information suggesting that the particulars given on the said Certificate of Origin may be inaccurate, unless the retroactive check is requested on a random basis;
  - b. the issuing authority of the exporting Party receiving a request for retroactive check shall respond to the request promptly and reply within two (2) months after receipt of the request;
  - c. the customs authority of the importing Party may suspend provision of preferential tariff treatment while awaiting the result of verification. However, release of the good shall be offered to the importer subject to any administrative measures deemed necessary, provided that they are not held to be subject to import prohibition or restriction and there is no suspicion of fraud; and
  - d. the issuing authority shall promptly transmit the results of the verification process to the importing Party which shall then determine whether or not the subject good is originating. The entire process for retroactive check, including the process of notifying the issuing authority of the exporting Party the result of determination on whether or not the good is originating, shall be completed within six (6) months. While the process of the retroactive check is being undertaken, sub-paragraph (c) shall be applied.

2. The customs authority of the importing Party may request an importer for information or documents relating to the origin of imported good in accordance with its domestic laws and regulations before requesting the retroactive check pursuant to paragraph 1.
3. If the importing Party is not satisfied with the outcome of the retroactive check, it may, under exceptional circumstances, request verification visits to the exporting Party.
4. Prior to conducting a verification visit pursuant to paragraph 1:
  - a. an importing Party shall deliver a written notification of its intention to conduct the verification visit simultaneously to:
    - (i) the producer and/or exporter whose premises are to be visited;
    - (ii) the issuing authority of the Party in the territory of which the verification visit is to occur;
    - (iii) the customs authority of the Party in the territory of which the verification visit is to occur; and
    - (iv) the importer of the good subject to the verification visit;
  - b. the written notification mentioned in sub-paragraph (a) shall be as comprehensive as possible and shall include, among others:
    - (i) the name of the customs authority issuing the notification;
    - (ii) the name of the producer and/or exporter whose premises are to be visited;
    - (iii) the proposed date of the verification visit;
    - (iv) the coverage of the proposed verification visit, including reference to the good subject to the verification; and
    - (v) the names and designation of the officials performing the verification visit;
  - c. Importing Party shall obtain the written consent of the producer and/or exporter whose premises are to be visited;
  - d. If a written consent from the producer and/or exporter is not obtained within thirty (30) days from the date of receipt of the notification pursuant to sub-paragraph (a), the notifying Party, based on best information available, may deny preferential tariff treatment to the good referred to in the said Certificate of Origin that would have been subject to the verification visit; and
  - e. the issuing authority receiving the notification may postpone the proposed verification visit and notify the importing Party of such intention within fifteen (15) days from the date of receipt of the notification. Notwithstanding any postponement, any verification visit shall be carried out within sixty (60) days from the date of such receipt, or a longer period as the Parties may agree.
5. The Party conducting the verification visit shall provide the producer and/or exporter, whose good is subject to such verification, and the relevant issuing authority with a written determination of whether or not the good subject to such verification qualifies as an originating good.
6. Any suspended preferential tariff treatment shall be reinstated upon the written determination referred to in paragraph 5 that the good qualifies as an originating good.

7. The producer and/or exporter shall be allowed thirty (30) days from the date of receipt of the written determination to provide in writing comments or additional information regarding the eligibility of the good for preferential tariff treatment. If the good is still found to be non-originating, the final written determination shall be communicated to the issuing authority within thirty (30) days from the date of receipt of the comments/additional information from the producer and/or exporter.

8. ~~The verification visit process, including the actual visit and the determination under paragraph 3 whether the good subject to such verification is originating or not, shall be carried out and its results communicated to the issuing authority within a maximum period of [twelvesix (126) months] from the first day of the initial verification [ID: visit] [IR: process] was conducted. While the process of verification is being undertaken, paragraph 1(c) shall be applied.~~

*Note at intersessional meeting: Iran proposed to have 8 months for the all procedures (2 months for responding, 4 months for verification process and 2 months for verification visit). Indonesia proposed to have 12 months (6 months for verification process and 6 months for verification visit). Indonesia verification visit may include more than one case. Indonesia will revert.*

*2<sup>nd</sup> Intersessional/TNC: Iran reconsider time frame.*

*Intersessional Meeting 30 May 2022: Iran agreed ID proposal 12 months verification process*

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#### Article 23 Dispute settlement

Where disputes arise in relation to the verification procedures of Article 22, which cannot be settled, between the customs authorities requesting verification and the competent authorities responsible for carrying out this verification or where they raise a question as to the interpretation of this Annex, they shall be submitted to the Joint Committee.

#### Article 24 Action Against Fraudulent Acts And Penalties

1. When it is suspected that fraudulent acts in connection with a Certificate of Origin have been committed, the government authorities concerned shall cooperate in the action to be taken by a Party against the persons involved.
2. Each Party shall provide legal sanctions for fraudulent acts related to a Certificate of Origin.
3. In accordance with national law/legislation of importing country penalties shall be imposed on any person who draws up, a document which contains incorrect information for the purpose of obtaining a preferential treatment for products.

#### {IR: Article 25 Development and Implementation of Electronic Origin Verification System (EOVS)}

1. The Parties shall endeavour to implement an EOVS.
2. The purpose of the EOVS is the creation of a web database that records the details of all Certificates of Origin issued by an authorized body and that is accessible to the customs

authorities of the other Party to check the validity and content of any issued Certificate of Origin.

3. All requirements and specifications for the application of EOVS shall be set out in separate protocol between the Parties.
4. For such purpose the Parties shall establish a working group that shall endeavour to develop and implement an EOVS.

~~Note at intersessional meeting: Indonesia is positively considered Iran's new proposal and Indonesia will reconfirm. Iran has signed an agreement with its neighbor countries to form electronic origin verification system and Iran will make the system.~~

~~2<sup>nd</sup> IntersessionalTNC: agreed.~~

## TITLE VI FINAL PROVISIONS

### Article 26 Sub-Committee on Customs and Origin Matters

A Sub-Committee on customs and origin matters shall be set up under the Joint Committee to assist in carrying out its duties and to ensure a continues information and consultations process between experts. The said sub-committee shall be composed of experts from the Parties responsible for customs and origin matters.

### Article 27 Attachment

Attachment to this Annex shall from an integral part thereof.

### Article 28 Goods in transit and storage

Goods which conform to the provisions to Title II and which on the date of entry into force of this Agreement are either being transported or are being held in Party in temporary storage, ~~in bonded warehouse or in free zones~~, may be accepted as originating products subject to submission, within four months from the date of entry into force of the Agreement, to the customs authorities of the importing country of Certificate of Origin, drawn up retrospectively, and of any documents that provide supporting evidence of the conditions of transport.

~~2<sup>nd</sup> IntersessionalTNC : Indonesia proposed to delete the mentioned sentences. Iran will reconsider after internal consulting.~~

~~Intersessional Meeting 30 May 2022: Iran agreed ID proposal to delete the mentioned sentences~~

### [ID: Article 29 Third Country-Party Invoicing

~~1. Customs authority in the importing Party may accept Certificates of Origin in cases where the sales invoice is issued either by a company located in a third country or by an exporter for the account of the said company, provided that the good meets the requirements of Annex II on Rules of Origin.~~

~~2. The exporter of the goods shall indicate "third country invoicing", and such information as name and country of the company issuing the invoice in the Certificate of Origin.~~

~~2<sup>nd</sup> IntersessionalTNC : iran will reconsider after internal consulting with customs.~~

~~Intersessional meeting 30 May 2022: Indonesia propose new wording for article 29, Iran will reconsider.~~

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ID: Article 29 - Third Party Invoicing

1. The Importing Party shall not reject a claim for preferential tariff treatment for the sole reason that the invoice was not issued by the exporter of the goods, provided that the goods meet the requirements of this Annex.

2. The exporter of the goods shall indicate "third party invoice" and such information as name and country of the company issuing the invoice shall appear in the certificate of origin.

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