



AUSTRALIAN CUSTOMS NOTICE NO. 2006/54

Proposed new Rules of Origin - Australia New Zealand Closer Economic Relations Trade Agreement (Anzcerta)

The Customs Legislation Amendment (New Zealand Rules Of Origin) Bill 2006 was introduced into the House of Representatives on Wednesday 1 November 2006. If the Bill is passed, related regulations are proposed to introduce new rules of origin for goods traded across the Tasman.

The new rules would give effect to amendments made to ANZCERTA, following negotiations between the Governments of Australia and New Zealand and an announcement in February 2006 by the Deputy Prime Minister and the Minister for Industry, Tourism and Resources. The changes are planned to come into force on 1 January 2007, subject to successful passage of the legislation and finalisation of the agreement processes and related regulations.

The Bill provides new product specific rules for determining whether goods are New Zealand originating goods, including the 'change in tariff classification' method. This means that 'substantial transformation' of goods can be demonstrated if the classification changes. The Bill also maintains the existing 'regional value content' rules of origin for a period of five years (until 31 December 2011). Up until this time, goods would qualify for preferential treatment under either the new or existing rules.

The proposed amendments will require the exporter, the principal manufacturer or a producer of Australian originating goods to maintain records for when a preferential rate of duty is being claimed. The requirements are similar to current record retention obligations under the Customs Act. A difference is that they will extend to all records relating to the origin of the goods for which preferential tariff treatment is claimed in New Zealand and may include, among other things, records associated with the classification, origin or value of the materials used to produce the goods.

A copy of the Bill and related Explanatory Memorandum are on the Parliament House website <http://www.aph.gov.au/bills/index.htm> then select 'current bills'.

Inquiries about this notice may be directed to origin@customs.gov.au, or to the Valuation and Origin Section on (02) 6275 6556, or fax number (02) 6275 6477.

Philomena Carnell
National Manager, Trade Branch
CANBERRA ACT

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