

**ANNEX 2
RULES OF ORIGIN**

PART I

DEFINITIONS

**Article 1
Definitions**

For purposes of this Annex, the following definitions shall apply:

- (a) **“Certificate of Origin”** means the documentary proof of origin issued by a Designated Competent Authority, confirming that a particular Product complies with the origin criteria applying to preferential trade under the Annex Protocol on Trade in Goods and in accordance with paragraph 1(a) of Article 17 of this Annex;
- (b) **“Chapter”** means the two-digit Chapters code used in the nomenclature which makes up the Harmonised System;
- (c) **“CIF Value”** means the price paid by the importer that includes the costs, insurance and freight needed to transport goods to a port of destination;
- (d) **“Classified”** refers to the classification of a Product or Material under a particular Heading or Sub-heading of the Harmonised System;
- (e) **“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;
- (f) **“Country of Origin”** means the State Party in which the Goods have been Produced or manufactured, according to the criteria laid down in this Annex;
- (g) **“Customs Authority”** means the administrative authority responsible for administering Customs Laws in a State Party;
- (h) **“Customs Value”** means the value as determined in accordance with the WTO Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade 1994 (WTO Agreement on customs valuation);
- (i) **“Designated Competent Authority”** means a body or organisation designated by a State Party to issue Certificates of Origin;
- (j) **“Exporter”** means any natural or legal person who exports goods to the Territory of another State Party, who is able to prove the origin of the Goods, whether or not

that person is the manufacturer and whether or not that person carries out the export formalities;

- (k) **“Ex-works Price”** means the price paid for the Product ex-works to the manufacturer in the States Party 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 paid which are, or may be, repaid when the Product obtained is exported;
- (l) **“Free Trade Area”** means the territories of the State Parties of the African Continental Free Trade Area;
- (m) **“Generally Accepted Accounting Principles (GAAPs)”** means a framework of accounting standards, rules and procedures defined by the accounting professional bodies and recognised by States Parties with respect to the recording of revenues, expenses, costs, assets, and liabilities, the disclosure of information, and the preparation of financial statements. Generally Accepted Accounting Principles may encompass broad guidelines for general application, as well as detailed standards, practices, and procedures¹;
- (n) **“Goods”** means both Materials and Products;
- (o) **“Heading”** means the four-digit Headings used in the nomenclature which makes up the Harmonized System (Harmonised System);
- (p) **“Manufacture”** means any kind of working or processing including assembly or specific operations;
- (q) **“Material”** means any ingredient, raw material, component or part used in the Manufacture of a Product;
- (r) **“Origin Declaration”** means an appropriate statement as to the origin of the Goods made, in connection with their exportation by the manufacturer, Producer, supplier, Exporter or any other competent person on the commercial invoice or any other document relating to the Goods;
- (s) **“Producer”** includes a mining, manufacturing or agricultural enterprise or any other individual grower or craftsman who supplies Goods for export;
- (t) **“Product”** means the output of a manufacturing process, even if it is intended for later use in another manufacturing operation;

¹ This is an outstanding provision

- (u) “**Special Economic Arrangements/Zones**” means special regulatory provisions applicable in a geographical demarcation within a State Party’s Territory where the legal, regulatory and fiscal and Customs schemes, applicable to business differ, generally in a more liberal way, from those in application in the rest of that State Party’s Territory;
- (v) “**Sub-heading**” means the six-digit code used in the nomenclature which makes up the Harmonized System;
- (w) “**Territory**” means the State Party’s Territory including the territorial sea as defined under the UN Convention on the Law of the Sea 1982 (UNCLOS);
- (x) “**Value Added**” means the difference between the ex-works price of a finished Product and the Customs Value of the Material imported from outside the State Parties and used in the production²; and
- (y) “**Value of Materials**” means the Customs Value at the time of importation of the non-originating Materials used, or if this is not known and cannot be ascertained, the first ascertainable price paid for the Materials in any State Party.

PART II

PURPOSE, OBJECTIVES AND ORIGIN CONFERRING CRITERIA

Article 2 Purpose

The purpose of this Annex is to implement provisions of the Protocol on Trade in Goods concerning Rules of Origin and to ensure that there are transparent, clear and predictable criteria for determining eligibility for preferential treatment in the AfCFTA.

Article 3 Objectives

The objectives of this Annex are to:

- (a) deepen market integration at regional and continental levels;
- (b) boost intra-Africa trade;
- (c) promote regional and continental value chains; and
- (d) foster economic transformation of the continent through industrialisation.

² This definition is an outstanding provision

Article 4

Origin Conferring Criteria

A Product shall be considered as originating from a State Party if it has:

- (a) been wholly obtained in that State Party within the meaning of Article 5 of this Annex; or
- (b) undergone substantial transformation in that State Party within the meaning of Article 6 of this Annex.

Article 5

Wholly Obtained Products

1. The following Products shall be considered as wholly obtained in a State Party when exported to another State Party:
 - (a) mineral Products and other non-living natural resources extracted from the ground, sea bed, below sea bed and in the Territory of a State Party in accordance with the provisions of UNCLOS;
 - (b) plants, including aquatic plants and plant Products, vegetables and fruits, grown or harvested therein;
 - (c) live animals born and raised therein;
 - (d) Products obtained from live animals raised therein;
 - (e) Products from slaughtered animals born and raised therein;
 - (f) Products obtained by hunting and fishing conducted therein;
 - (g) Products of aquaculture including mariculture, where the fish, crustaceans, molluscs and other aquatic invertebrates are born and or raised therein from eggs, larvae, fry or fingerlings born or raised therein;
 - (h) Products of sea fishing and other Products taken from the sea outside the Territory of a State Party by their Vessels;
 - (i) Products made aboard their Factory Ships exclusively from Products referred to in subparagraph (h);
 - (j) used articles fit only for the recovery of Materials, provided that such articles have been collected therein;

- (k) scrap and waste resulting from manufacturing operations therein;
- (l) Products extracted from marine soil or sub-soil outside their territorial waters provided that it has sole rights to work that soil or sub-soil;
- (m) Goods produced therein exclusively from the Products specified in subparagraphs (a) to (l); and
- (n) electric energy produced therein.

New Proposal 1

2. *[The terms "their vessels" and "their factory ships" in paragraph 1(h) and 1(i) shall apply only to vessels, leased vessels, bare boat and factory ships which are registered in a State Party in accordance with the national laws of a State Party and carry the flag of the State Party and, in addition, meet one of the following conditions:*
 - (a) at least, 50 per centum of the officers of the vessel or factory ship are nationals of the State Party or State Parties; or*
 - (b) at least, 50 per centum of the crew of the vessel or factory ship are nationals of the State Party or State Parties; or*
 - (c) at least, [50 / 51] per centum of the equity holding in respect of the vessel or factory ship are held by nationals of the State Party or State Parties or institutions, agency, enterprise or corporation of the government of the State Party or State Parties]*

New Proposal 2

- [The terms "their vessels" and "their factory ships" in paragraph 1(h) and 1(i) shall apply only to vessels, leased vessels, bare boat and factory ships which are registered in a State Party in accordance with the national laws of a State Party and meet one of the following conditions:*
- (a) the vessel sails under the flag of a State Party; or*
 - (b) at least, 50 per centum of the officers of the vessel or factory ship are nationals of the States Party or State Parties; or*
 - (c) at least, 50 per centum of the crew of the vessel or factory ship are nationals of the State Party or States Parties; or*
 - (d) at least, [50/51] per centum of the equity holding in respect of the vessel or factory ship are held by nationals of the State Party or State Parties or institutions, agency, enterprise or corporation of the government of the State Party or State Parties]*³

³ This Sub-Article is an outstanding provision

Article 6
Sufficiently Worked or Processed Products

1. For purposes of Article 4(b) of this Annex, Products which are not wholly obtained are considered to be sufficiently worked or processed when they fulfil one of the following criteria:
 - (a) Value Added;
 - (b) non-originating Material content;
 - (c) change in tariff Heading; or
 - (d) specific processes.

2. Notwithstanding paragraph 1 of this Article, Goods listed in Appendix IV shall qualify as originating Goods if they satisfy the specific rules set out therein.

Article 7
Working or Processing not Conferring Origin

1. The following operations are insufficient to confer origin on a Product, whether or not the requirements of Article 4 of this Annex are satisfied:
 - (a) operations exclusively intended to preserve Products in good condition during storage and transportation;
 - (b) breaking-up or assembly of packages;
 - (c) washing, cleaning or operations to remove dust, oxide, oil, paint or other coverings from a Product;
 - (d) simple ironing or pressing operations;
 - (e) simple painting or polishing operations;
 - (f) husking, partial or total bleaching, polishing or glazing of cereals and rice;
 - (g) operations to colour sugar or form sugar lumps, partial or total milling of crystal sugar;
 - (h) peeling, stoning or shelling of vegetables of Chapter 7, fruits of Chapter 8, nuts of Heading 08.01 or 08.02 or groundnuts of Heading 12.02, fruits, nuts or vegetables;

- (i) sharpening, simple grinding or simple cutting;
 - (j) simple sifting, screening, sorting, classifying, grading or matching;
 - (k) simple packaging operations, such as placing in bottles, cans, flasks, bags, cases, boxes or fixing on cards or boards;
 - (l) affixing or printing marks, labels, logos, and other like distinguishing signs on the Products or their packaging;
 - (m) simple mixing of Materials, whether or not of different kinds; which does not include an operation that causes a chemical reaction;
 - (n) simple assembling of parts of articles to constitute a complete article;
 - (o) a combination of two or more operations specified in sub-paragraphs (a) to (n); and
 - (p) slaughter of animals.
2. Notwithstanding any provision of this Annex, agricultural Products whether or not processed in any way, obtained or partially obtained from Food Aid or monetisation or similar assistance measures, including arrangements based on non-commercial terms, shall not be considered as originating in a State Party.
 3. For purposes of paragraph 1 of this Article, an operation shall be considered simple when neither special skills, nor machines, apparatus nor tools especially produced or installed for those operations are required for their performance or when those skills, machines, apparatus or tools do not contribute to the Product's essential characteristics or properties.

Article 8

Cumulation of Origin within the AfCFTA

1. For purposes of implementing this Article, all State Parties shall be considered as a single Territory.
2. Raw Materials or semi-finished Goods originating in any of the State Parties and undergoing working or processing in another State Party, shall be deemed to have originated in the State Party where the final processing or manufacturing takes place.

3. Working or processing carried out in any of the State Parties shall be considered as having been carried out in the State Parties when the Materials undergo further working or processing in a State Party.
4. Notwithstanding paragraphs 1 and 2 of this Article, Products further manufactured in a State Party shall be considered as originating in a State Party where the last manufacturing process takes place provided that the last working or processing operations exceed those operations under Article 7 of this Annex.

Article 9
Goods produced under Special Economic Arrangements / Zones

1. *Goods produced in Special Economic Arrangement / Zone shall be treated as originating Goods provided that they satisfy the rules in this Annex and in accordance with the provisions of Article 23.2 of the Protocol on Trade in Goods.*
2. *State Parties shall take all necessary measures to ensure that Products which are traded under the cover of proof of origin, and which during their transportation use a Special Economic Arrangement / Zone situated in their Territory, shall remain under the control of the Customs Authority and are not substituted by other Goods.*
3. *Notwithstanding paragraph 1 of this Article, where Products originating in a State Party which are imported into a Special Economic Arrangement / Zone under a proof of origin undergo processing or transformation, the competent Customs Authorities shall issue a new movement certificate at the request of the Exporter, if the processing or transformation carried out is in accordance with this Annex.⁴*

Article 10
Unit of Qualification

1. The unit of qualification for the application of the provisions of this Annex shall be the particular Product, which is considered as a basic unit when determining classification.
2. For purposes of this Annex:
 - (a) the tariff classification of a particular Product or Material shall be determined according to the Harmonized System ;
 - (b) a Product composed of a group or assembly of articles or components is classified pursuant to the terms of the HS under a single Heading or Sub-heading, the whole shall constitute a unit of qualification; and

⁴ This Article is an outstanding provision

- (c) where a shipment consists of a number of identical Products classified under the same Heading or Sub-heading of the Harmonised System, each Product shall be considered separately.

Article 11 Treatment of Packing

1. Where for purposes of assessing customs duties, a State Party treats Goods separately from their packing, it may also, in respect of its imports consigned from another State Party, determine separately the origin of such packing.
2. Where paragraph 1 of this Article is not applicable, packing shall be considered as forming a whole with the Goods and no part of any packing required for their transportation or storage shall be considered as having been imported from outside the State Party when determining the origin of the Goods as a whole.
3. For purposes of paragraph 2 of this Article, packing with which Goods are ordinarily sold at retail shall not be regarded as packing required for the transportation or storage of Goods.
4. Containers, which are used purely for the transportation and temporary storage of Goods and are to be returned shall not be subject to customs duties and other charges of equivalent effect. Where containers are not to be returned, they shall be treated separately from the Goods contained in them and be subject to import duties and other charges of equivalent effect.

Article 12 Separation of Materials

1. For Products or industries where it would be impracticable for the Producers to physically separate Materials of similar character but different origin used in the production of Goods, such separation may be replaced by an appropriate accounting system which ensures that no more Goods are deemed to originate in the State Party than would have been the case if the Producer had been able to physically separate the Materials.
2. Such accounting system shall conform to the conditions as may be agreed upon by the Sub-Committee on Rules of Origin, provided for under Article 38 of this Annex in order to ensure that adequate control measures shall be applied.

Article 13 Accessories, Spare Parts and Tools

Accessories, spare parts and tools despatched 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 14 Sets

1. Sets as defined in General Rule 3 of the Harmonised System shall be regarded as originating when all component Products are originating.
2. Nevertheless, when a set is composed of originating and non-originating Products, the set as a whole shall be regarded as originating provided that the value of non-originating Products does not exceed 15% of the Ex-Works Price of the set.
3. The value of non-originating component Products shall be calculated in the same manner as the value of non-originating Materials.

Article 15 Neutral Elements

For purposes of determining whether a Product is originating, it shall not be necessary to determine the origin of the following, which might be used in its production:

- (a) energy and fuel;
- (b) plant and equipment;
- (c) machines and tools; and
- (d) Materials which do not enter and which are not intended to enter into the final composition of the Product.

Article 16 Principle of Territoriality

1. A Product that has undergone production that satisfies the requirements of Article 6 of this Annex shall be considered originating only if, subsequent to that production, the Product:
 - (a) does not undergo further production or any other operation outside the territories of the State Parties, other than unloading, reloading, or any other operation necessary to preserve it in good condition, or to transport the Product to the Territory of a State Party; and
 - (b) remains under customs control while outside the territories of the State Parties.
2. The storage of Products and shipments or the splitting of shipments that take place under the responsibility of the Exporter or of a subsequent holder of the Products while the Products remain under customs control in the country or countries of transit shall not affect the originating status of the product.

3. If an originating Product exported from a State Party to a Third Party returns, it shall be considered as non-originating, unless it can be proven to the satisfaction of the Customs Authorities that the returning Product:
 - (a) is the same as that which was exported; and
 - (b) has not undergone any operation beyond that which was necessary to preserve it in good condition.

PART III

PROOF OF ORIGIN Article 17

General Requirements

1. Products originating in a State Party shall, on importation into another State Party, benefit from the provisions of the Protocol on Trade in Goods upon submission of either:
 - (a) a Certificate of Origin, whether in hard or electronic copy in the form of Appendix I of this Annex. Issuance and acceptance of electronic Certificate of Origin shall be in accordance with each State Party's national legislation; or
 - (b) in the cases specified in Article 19 of this Annex, a declaration, subsequently referred to as the 'Origin Declaration', given by the Exporter on an invoice, a delivery note or any other commercial document which describes the Products concerned in sufficient detail to enable them to be identified.
2. The text of the Origin Declaration appears in Appendix II of this Annex.
3. Notwithstanding the provisions of paragraph 1 of this Article, originating Products within the meaning of this Annex shall, in the cases specified in Article 28 of this Annex concerning exemption from proof of origin, benefit from the Protocol on Trade in Goods without the requirement to submit any proof of origin.
4. A proof of origin shall be valid for twelve (12) months from the date of issue in the exporting State Party, and be submitted within the said period to the Customs Authorities of the importing State Party.
5. Proofs of origin which are submitted to the Customs Authorities of the importing State Party after the final date for presentation specified in paragraph 4 of this Article may be accepted where the failure to submit these documents by the date set is due to exceptional circumstances duly justified.

Article 18
Submission of Proof of Origin

Proof of origin shall be prepared and submitted to the Customs Authorities of the importing State Party in any of the AU official languages and in accordance with the procedures applicable in that State Party. The said authorities may require a translation of such proof of origin.

Article 19
Origin Declarations

1. An Origin Declaration referred to in paragraph 1(b) of Article 17 of this Annex may be made out by:
 - (a) an Approved Exporter within the meaning of Article 20 of this Annex; or
 - (b) any Exporter for any Consignment consisting of one or more packages containing originating Products whose total value does not exceed five thousand United States dollars (USD5,000).
2. An Origin Declaration may be made out if the Products concerned can be considered as Products originating in the State Party and fulfil the other requirements specified in this Annex.
3. The Exporter making out an Origin Declaration shall submit at any time, at the request of the Designated Competent Authority of the exporting State Party, all appropriate documents proving the originating status of the Products concerned as well as the fulfilment of the other requirements specified in this Annex.
4. An Origin Declaration shall be made out by the Exporter by typing, stamping or printing on the invoice, the delivery note or another commercial document using one of the AU official languages and in accordance with the provisions of the national legislation of the exporting State Party. If the Origin Declaration is handwritten, it shall be written in ink in printed characters. Origin Declarations shall bear the original signature of the Exporter.
5. An Origin Declaration may be made out by the Exporter when the Products to which it relates are exported, or after exportation on condition that it is presented in the importing State Party no longer than twelve (12) months after the importation of the Products to which it relates as provided for under national legislation.

Article 20
Approved Exporter

1. The Designated Competent Authorities of the exporting State Party may authorise any Exporter, hereinafter referred to as "Approved Exporter", who frequently

exports Products covered by this Annex and provides, to the satisfaction of the customs authorities, all the guarantees for verifying the originating status of Products as well as compliance with all other requirements specified in this Annex, to make out Origin Declarations regardless of the value of the Products concerned.

2. The Designated Competent Authority may grant the status of Approved Exporter subject to any conditions considered appropriate.
3. The Designated Competent Authority shall issue to the Approved Exporter an authorisation number, which must appear on the Origin Declaration.
4. The Designated Competent Authority shall monitor the use made of the authorisation by the Approved Exporter.
5. The Designated Competent Authority may withdraw the authorisation at any time. The Designated Competent Authority must do so when the Approved Exporter:
 - (a) no longer provides the guarantees referred to in paragraph 1 of this Article;
 - (b) no longer fulfils the conditions referred to in paragraph 2 of this Article;
or
 - (c) otherwise makes improper use of the authorisation.

Article 21

Issuance of Certificate of Origin

1. A Certificate of Origin shall be issued by the Designated Competent Authority of the exporting State Party on application having been made in writing by the Exporter or, under the Exporter's responsibility, by the authorised representative.
2. For this purpose, the Exporter or the authorised representative shall fill out the Certificate of Origin as an application form, as set out in Appendix I of this Annex. The application form shall be completed in accordance with the provisions of this Annex. Where it is handwritten, it shall be completed in ink in printed characters. The description of the Products must be given in the box reserved for this purpose without leaving any blank lines. Where the box is not completely filled, a horizontal line must be drawn below the last line of the description, the empty space being crossed through.
3. The Exporter applying for the issue of a Certificate of Origin shall submit at the request of the Designated Competent Authority of the exporting State Party where the Certificate of Origin is issued, all appropriate documents proving the originating status of the Products concerned as well as the fulfilment of the other requirements specified in this Annex.

4. The Designated Competent Authority shall take any steps necessary to verify the originating status of the Products and the fulfilment of the other requirements specified in this Annex.
5. For this purpose, the Customs Authority or Designated Competent Authority shall have the right to call for any evidence and to carry out any inspection of the Exporter's accounts or any other verification considered appropriate. The Customs Authority or Designated Competent Authority shall also ensure that the application form referred to in paragraph 1 of this Article is duly completed. In particular, the Customs Authority or Designated Competent Authority shall check whether the space reserved for the description of the Products has been completed in such a manner as to exclude all possibility of fraudulent additions.
6. The date of issue of the Certificate of Origin shall be indicated in the relevant box of the Certificate.
7. A Certificate of Origin shall be issued by the Designated Competent Authority and made available to the Exporter, to the best possible extent, before actual exportation has been effected.

Article 22

Supporting Documents

The documents, referred to in paragraph 3 of Article 21 of this Annex, to be submitted to the Designated Competent Authority of the exporting State Party may include documents relating to the following:

- (a) production processes carried out on the originating Product or on Materials used in the production of that Product;
- (b) purchase, cost, value of and payment for the Product;
- (c) origin, purchase, cost, value of and payment for all Materials, including neutral elements, used in the production of the Product;
- (d) shipment of the Product; and
- (e) any other documents that the Designated Competent Authority may consider necessary.

Article 23
Certificate of Origin Issued Retrospectively

1. Notwithstanding the provisions of paragraph 7 of Article 21 of this Annex, a Certificate of Origin may exceptionally be issued after exportation of the Products to which it relates if it:
 - (a) was not issued at the time of exportation because of errors or involuntary omissions or special circumstances; or
 - (b) is demonstrated to the satisfaction of the Designated Competent Authority that a Certificate of Origin was issued but was not accepted at importation for technical reasons.
2. For the implementation of paragraph 1 of this Article, the Exporter must indicate in the application the place and date of exportation of the products to which the Certificate of Origin relates and state the reasons for the request.
3. The Designated Competent Authority may issue a Certificate of Origin retrospectively only after verifying that the information supplied in the Exporter's application is consistent with that in the corresponding file.
4. A Certificate of Origin issued retrospectively must be endorsed with the following phrase: **"ISSUED RETROSPECTIVELY"**
5. The endorsement referred to in paragraph 4 of this Article shall be inserted in Box 3 of the Certificate of Origin.

Article 24
Transitional Provision for Goods in Transit or Storage

Goods which comply with the provisions of this Annex and which, on the date of entry into force of the Agreement, are either in transit or temporary storage under customs warehouses or free zones of one of the State Parties, may be eligible for the provisions of this Annex subject to submission, within six (6) months of the said date, to the Customs Authorities of the importing State Party, of a Certificate of Origin issued retrospectively by the Designated Competent Authority of the exporting State Party together with documents showing that the Goods have been transported directly in accordance with the provisions of Article 30 of this Annex.

Article 25
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 Designated Competent Authority which issued the Certificate of Origin for a duplicate made out on the basis of the export documents in their possession.
2. The duplicate issued in this way must be endorsed with the following word:
“DUPLICATE”
3. The endorsement referred to in paragraph 2 of this Article shall be inserted in Box 3 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.

Article 26
Issuance of a Replacement Certificate of Origin

When originating Goods are placed under the control of a Customs Authority in one of the State Parties it may be possible to replace the Certificate of Origin by one or several certificate of movement of Goods in order to allow for the said Goods or part thereof to be sent elsewhere in the other State Parties. A replacement Certificate of Origin shall consequently be delivered to the Customs Authority under whose control the Goods were placed.

Article 27
Importation by Instalments

Where, at the request of the importer and on the conditions laid down by the Customs Authorities or Designated Competent Authorities of the importing State Party, dismantled or non-assembled products within the meaning of General Interpretative Rules of the Harmonized System are imported by instalments, a single proof of origin for such products shall be submitted to the Customs Authorities or Designated Competent Authority upon importation of the first instalment.

Article 28
Exemption from Proof of Origin

1. The following Goods shall be admitted as originating products without requiring submission of a proof of origin:
 - (a) originating products sent as small packages from private persons in a State Party to private persons in another State Party or forming part of traveller's personal luggage; and

- (b) imports which are occasional and consist of originating products for the personal use of the recipient or travellers or their families shall not be considered as commercial imports by way of trade.
2. The total value of the products referred to in paragraph 1 of this Article, shall not exceed five hundred United States Dollars (USD500) in the case of small packages or one thousand two hundred United States Dollars (USD1,200) in the case of products forming part of traveller's personal luggage as the case may be.

Article 29
Fairs or Exhibitions

1. Originating products sent for a fair or exhibition in a State Party and sold, at the end of the fair or exhibition, for the purpose of importation into one of the State Parties shall, at the time of importation, benefit from the provisions of this Annex, provided that there is satisfactory proof to the Customs Authorities that:
- (a) an Exporter has shipped the products from the State Party to another State Party of the fair or exhibition and has exhibited same therein;
 - (b) the products have been sold or otherwise disposed of by that Exporter to a person in the State Party;
 - (c) the products have been consigned during the fair or exhibition or immediately thereafter in the State Party in which they were sent for fairs and exhibitions; and
 - (d) that from the time they were shipped for fairs or exhibitions, the products were not used for purposes other than for display at that fair or exhibition.
2. Proof of origin must be issued or made out in accordance with the provisions of Part III of this Annex and submitted under normal conditions to the Customs Authorities of the importing State Party. The name and address of the fair or exhibition must be indicated. If necessary, additional documentary evidence of the conditions under which they had been exhibited may be required.
3. Paragraph 1 of this Article shall apply to all exhibitions, fairs or similar public events of a commercial, industrial, agricultural or handicraft nature, other than those organised for private purposes in commercial premises or shops, and for the purpose of selling foreign products, during which the products remain under customs control.

Article 30
Direct Transportation

1. The preferential treatment provided for in this Annex applies only to products meeting the requirements specified in this Annex, which are transported directly between the territories of the State Parties or through those territories.
2. Notwithstanding paragraph 1 of this Article, the transportation of products constituting a single consignment may take place through other State Parties' territories, where appropriate, with transshipment or temporary storage in those territories, provided that the products remain under the supervision of the Customs Authorities of the State Party of transit or storage and that they are not subject to other operations other than unloading or reloading or any other operation intended to ensure their preservation as such.
3. Originating products may be transported by pipeline across territories other than those of the State Parties acting as exporting and importing State Parties.
4. Proof that the conditions referred to in paragraph 1 of this Article have been fulfilled shall be by providing the Customs Authorities of the importing State Party with either:
 - (a) a single transport document covering the passage through the State Party of transit; or
 - (b) a certificate issued by the Customs Authorities of the State Party of transit, containing:
 - (i) an accurate description of the products;
 - (ii) date of unloading and reloading of the products, with, where applicable, the names of the ships or other means of transport used; and
 - (iii) certifying the conditions under which the products remained in the transit State Party;
 - (c) or, failing that, any other relevant document.

Article 31
Information and Procedure for Cumulation Purposes

1. For purposes of paragraph 2 of Article 8 of this Annex, the proof of origin of the Materials coming from a State Party shall be given by a Certificate of Origin or an Origin Declaration in the form of Appendix I or II of this Annex.

2. For purposes of paragraph 3 of Article 8 of this Annex, the evidence of the working or processing shall be given by the supplier or Producer's declaration, in the State Party in which the Materials are exported in the form set out in Appendix III of this Annex.
3. A Certificate of Origin issued pursuant to Article 8 of this Annex shall be endorsed with the word: "**CUMULATION.**"
4. The endorsement referred to in paragraph 3 of this Article shall be inserted in Box 3 of the Certificate of Origin.
5. In addition to the supporting documents referred to in paragraph 2 of this Article, the bill of lading, together with the catch certificates shall accompany the Certificate of Origin.

Article 32 Preservation of Records

1. An Exporter who has applied for the issuance of a Certificate of Origin shall keep a copy of the application, as well as the supporting documents referred to in Article 22 of this Annex, for at least five (5) years after the completion of the application.
2. An importer that has been granted preferential tariff treatment shall keep documentation relating to the importation of the Product, including a copy of the Certificate of Origin, for at least five (5) years after the date on which preferential treatment was granted.
3. A State Party may deny preferential tariff treatment to a Product that is the subject of an origin verification when the importer, Exporter, or Producer of the Product that is required to maintain records or documentation under this Article:
 - (a) fails to maintain records or documentation relevant to determining the origin of the Product in accordance with the requirements of this Annex; or
 - (b) denies access to those records or documentation.
4. The Designated Competent Authority of the exporting State Party issuing a Certificate of Origin shall keep for at least five (5) years the copy of the issued Certificate.
5. The Designated Competent Authority of the importing State Party shall keep for at least five (5) years the Certificate of Origin submitted to them.

Article 33
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 Authorities or Designated Competent Authority for the purpose of carrying out the formalities for importing the products shall not, because of that fact, render the Certificate of Origin null and void if it is established that the Certificate of Origin corresponds to the products submitted.
2. Obvious formal errors such as typing errors on a Certificate of Origin shall not cause the Certificate of Origin to be rejected if the errors do not create doubts concerning the correctness of the statements made in the document.

PART IV

ADMINISTRATIVE COOPERATION

Article 34 Notifications

1. The State Parties shall cooperate in the uniform administration and interpretation of this Annex and, through their Designated Competent Authorities, assist each other in verifying the origin of the products on which a Certificate of Origin is based.
2. For purposes of facilitating the verification or assistance referred to in paragraph 1 of this Article, the Designated Competent Authorities of the State Parties shall, through the Secretariat, exchange their respective addresses and the specimen of the stamps and signatures used in their offices for the issuance of the Certificates of Origin.
3. For purposes of paragraph 1 of this Article, the Designated Competent Authority of the exporting State Party shall assume all expenses in carrying out the obligations provided thereof.
4. It is further understood that the Designated Competent Authority of the State Parties shall, from time to time, consider the overall operation and administration of the verification process, including forecasting of workload and setting priorities. If there is an unusual increase in the number of requests, the Designated Competent Authority of the State Parties shall establish priorities and take the necessary steps to manage the workload, taking into account operational requirements.
5. State Parties shall notify each other immediately, through the Secretariat, with respect to any changes in requirements stated in paragraph 2 of this Article.
6. State Parties shall notify each other immediately, through the Secretariat, of the Approved exporters as provided in Article 20 of this Annex.

Article 35 Mutual Assistance

1. In order to ensure the proper application of this Annex, State Parties shall assist each other, through the Customs Authorities or Designated Competent Authorities, in checking the authenticity of the Certificate of Origin, the Origin Declaration or the supplier's declarations and the correctness of the information given in these documents.
2. State Parties' authorities shall, upon request, furnish the relevant information concerning the conditions under which the Product has been made, indicating especially the conditions in which the rules of origin were complied with in the requested State Parties.

Article 36
Verification of Proof of Origin

1. Subsequent verifications of proof of origin shall be carried out at random or based on risk analysis or whenever the Customs Authorities of the importing State Party have reasonable doubts as to the authenticity of such documents, the originating status of the products concerned or the fulfilment of the other requirements of this Annex.
2. For purposes of implementing the provisions of paragraph 1 of this Article, the Customs Authorities of the importing State Party shall return the Certificate of Origin and the invoices, if they have been submitted, or a copy of these documents, to the Customs Authorities of the exporting State Party giving, where appropriate, the reasons for the request for verification. Any documents and information obtained suggesting that the information given on the proof of origin is incorrect shall be forwarded in support of the request for verification.
3. The verification shall be carried out by the Customs Authorities of the exporting State Party and the results of such verification shall be communicated to the requesting authority or State Party as soon as possible and in any case no later than six (6) months. These results must indicate clearly whether the documents are authentic and whether the Products concerned can be considered as Products originating in a State Party. For this purpose, the Customs Authorities of the exporting State Party shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check the authorities may consider appropriate.
4. If the Customs Authorities of the importing State 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 considered necessary.
5. In the case of any reasonable doubt, or where there is no reply within six (6) months of the date of the verification request or if the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products, the requesting authority or State Party may, except in exceptional circumstances, refuse entitlement to the preferences.
6. Where the verification procedure or any other available information appears to indicate that the provisions of this Annex are being contravened, the exporting State Party on its own initiative or at the request of the importing State Party shall carry out appropriate enquiries or arrange for such enquiries to be carried out with due urgency to identify and prevent such contraventions and for this purpose the exporting State Party concerned may invite the participation of the importing State Party in these enquiries.

**Article 37
Penalties**

State Parties shall, through national legislation, provide for penalties, where any person draws up, or causes to be drawn up, or uses, a document which contains information which the person knows to be false for the purpose of obtaining a preferential treatment for Products.

**Article 38
Sub-Committee on Rules of Origin**

1. The Committee on Trade in Goods shall, in accordance with Article 31 of the Protocol on Trade in Goods, establish a Sub-Committee on Rules of Origin.
2. The Sub-Committee shall be composed of duly designated representatives from State Parties and shall carry out the responsibilities assigned to it under this Annex or by the Committee on Trade in Goods.

**PART V
FINAL PROVISIONS**

**Article 39
Appendices**

The Appendices annexed to this Annex shall form an integral part hereof.

**Article 40
Dispute Settlement**

Any dispute between the State Parties arising out of or relating to the interpretation or application of any provision of this Annex and its Guidelines, shall be settled in accordance with the Protocol on Rules and Procedures on the Settlement of Disputes.

**Article 41
Review and Amendment**

This Annex shall be subject to review and amendments in accordance with Articles 28 and 29 of the Agreement.

**Article 42
Transitional Arrangements**

1. State Parties agree that the following issues are outstanding:
 - (a) Implementing decisions on the definitions of “Value Added” in Article 1 (x) and requirements for “their vessels” and “their factory ships” in Article 5 (2) and

- criteria and issues pertaining to Special Economic Arrangements / Zones In Article 9 in Annex 2 on Rules of Origin;
- (b) Drafting of additional definitions in Annex 2 on Rules of Origin;
 - (c) Drafting hybrid rules in Appendix IV to Annex 2 on the Rules of Origin;
 - (d) Drafting Regulations for Goods produced under Special Economic Arrangements / Zones;
 - (e) Drafting of additional provisions in Annex 2 on Rules of Origin on value tolerance, absorption principle and accounting segregation/GAAP; and
 - (f) Drafting AfCFTA Rules of Origin Manuals/Guidelines.
2. The outstanding provisions referred to in paragraph 1 of this Article shall, upon adoption by the Assembly, form an integral part of this Annex.
3. Pending the adoption of the outstanding provisions, State Parties agree that the Rules of Origin in existing trade regimes shall be applicable.

APPENDIX I: AfCFTA CERTIFICATE OF ORIGIN

(Article 19(1)(a))

Notes for Completing the AfCFTA Certificate of Origin

The numbered boxes of the Certificate of Origin must be completed as follows:

Box 1

The Exporter must be a natural or legal person ordinarily resident in a State Party or a person whose place of business is in a State Party.

In addition, the Exporter's registration number should be inserted, where applicable.

Box 2

Insert the name and office address of the consignee in the State Party of destination.

Box 3

To be completed by the issuing authority inserting one or more of the following endorsements where necessary:

- a) "Duplicate" (where application is made for a Duplicate AfCFTA Certificate of Origin)
- b) "Issued Retrospectively" (where the Goods have been exported before application is made for a certificate and application is made for the retrospective issue thereof)
- c) "Replacement" (where application is made for a Replacement AfCFTA Certificate of Origin)
- d) "Cumulation"

Box 4

Insert particulars of transport details for the vehicle, train, ship, aircraft or other vessel used in removing Goods from the last port in the exporting State Party.

Box 5

- a) Enter identifying marks and numbers on the packages against each Good being exported.
- b) If the packages are not marked, state "No Marks and Numbers" or "As Addressed".
- c) For Goods in bulk that are not packed, insert "In Bulk".
- d) The quantity stated must agree with the quantities on the invoice.
- e) Where both originating and non-originating Goods are packed together, describe only the originating Goods and add at the end "Part Contents Only".

Box 6

Insert serial numbers of invoices, their dates, values and Incoterms, issued for the Goods.

Box 7

State the number of type of packaging containing the Goods.

Box 8

The Goods must be identified by giving a reasonably full commercial description in order for the appropriate HS Code to be determined.

Box 9

Insert the gross weight of the Goods that should correspond with the transporters' documents.

Box 10

State an additional statistical measure as may be applicable under the chosen HS Code

Box 11

Enter the six-digit HS Code in respect of each line of Goods described in Box 8.

Box 12

Insert the appropriate Origin Criteria Code applicable to the Goods being exported.

Origin Criteria Code	Origin Criteria Description
WP	Wholly produced (Article 5)
SV	Substantial transformation – Value Added Content (Article 6.1(a))
SM	Substantial transformation – Material Content (Article 6.1(b))
SX	Substantial transformation – Change of Tariff Heading (Article 6.1(c))
SP	Substantial transformation – Process Rule (Article 6.1(d))
SC	Substantial transformation – Cumulation; and state the States Parties with which Cumulation was used. (Article 8)

Box 13

- a) The Exporter, or the authorized representative, must complete all details required for a complete declaration of the correctness of the application for a Certificate of Origin.
- b) The signature must not be mechanically reproduced or made with a rubber stamp but can be electronically inserted or replaced with an electronic identifying code in accordance with the national laws of each State Party.

Box 14

This must be filled by the Designated Competent Authority in the State Party of export. An officer of the authority must print all the details required and date-stamp the Certificate of Origin in the space provided by imprinting thereon the special stamp issued for this purpose and has been circulated to the Customs Administrations in all State Parties except where the Certificate of Origin is being validated electronically.

Box 15

The Customs Officer at the port of clearance or exit must insert the export document number, date and office of clearance as provided.

General

- a) The AfCFTA Certificate of Origin shall be rendered invalid if:
 - (i) (any entered particulars are incorrect and not in accordance with the provisions of this Annex;
 - (ii) it contains any erasures or words written over one another;
 - (iii) altered, unless any alterations are made by deleting the incorrect particulars, by adding any necessary corrections and such alterations are initialled by the person who completed the certificate and endorsed by the officer who signs the certificate.

- b) Where applicable quote the Designated Competent Authority's file registration / reference number at the top of the Certificate of Origin.
- c) Draw a horizontal line under the only or final item in Boxes 5 – 12 and rule through the unused space with a Z-shaped line or otherwise cross it through.
- d) Where the space provided is inadequate please attach an additional page to provide the required details.

Form for a AfCFTA Certificate of Origin (Article 17(1)(a))

AfCFTA Certificate of Origin		Competent Authority Ref		Country Code		Serial No.	
1. Exporter (Name & Address)		2. Consignee (Name & Address)		3. For Official Use Only			
4. Particulars of Transport							
5. Marks & No.s	6. Invoice No. & Date	7. No. & Kind of Package	8. Description of Goods	9. Gross Weight	10. Suppl. Quantity	11. HS Code	12. Origin Criterion
13. Declaration By The Exporter or Authorized Representative I, the undersigned, declare that the Goods described above meet the conditions required for the issue of this Certificate of Origin, and are originating in _____ (Country) Place and date: _____ _____ (Full Names and Designation) _____ (Signature)			14. Certification of Origin Origin Stamp _____ (Designated Authority) _____ (Full Names) _____ (Signature)		15. For Customs purposes Export Document No.: _____ _____ Customs Office & Date _____ (Full Names) _____ (Signature)		

AfCFTA CERTIFICATE OF ORIGIN (PAGE 2 – BACK PART)

<p>A. REQUEST FOR VERIFICATION BY IMPORTING STATE PARTY</p> <p>Verification of the authenticity and accuracy of this Certificate is requested for the following reasons:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p align="center">_____ (Place and Date)</p> <p align="center">_____ (Signature and Stamp)</p>	<p>B. RESULT OF VERIFICATION BY EXPORTING STATE PARTY</p> <p>Verification carried out shows that this Certificate was issued by the Designated Competent Authority indicated and that the information contained therein:</p> <p><input type="checkbox"/> Is accurate</p> <p><input type="checkbox"/> Does not meet the requirement as to the authenticity / accuracy in Box _____</p> <p>(t the appropriate box number)</p> <p align="center">_____ (Place and Date)</p> <p align="center">_____ (Signature and Stamp)</p>
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Appendix II
AFRICAN CONTINENTAL FREE TRADE AREA
ORIGIN DECLARATION

(Article 19(1)(b))

The text of the Origin Declaration must be made as given below:

I / We, _____, being the Exporter of the
(Approved Exporter's Name and Registration Number)

Goods covered by this document declare(s) that, the Goods are of
_____ origin

(indicate the African Continental Free Trade Area State Party)

and the origin criterion applicable to these Goods

is _____

(insert wholly obtained or substantially transformed, as may be applicable.)

Place and Date of Declaration

Authorised Exporter's Signature

Appendix III

**AFRICAN CONTINENTAL FREE TRADE AREA
SUPPLIER OR PRODUCER'S DECLARATION**

(Article 31(2))

**A. SUPPLIER OR PRODUCER'S DECLARATION FOR PRODUCTS HAVING
PREFERENTIAL ORIGIN STATUS**

I, the undersigned, declare that the Goods listed on invoice _____(1)

were produced in _____(2)
and satisfy the rules of origin governing preferential trade between the African Continental
Free Trade Area State Parties.

I undertake to make available to the Designated Competent Authority, if required,
evidence in support of this declaration.

_____(3)

_____(4)

_____(5)

Note

The abovementioned text, suitably completed in conformity with the footnotes below,
constitutes a supplier's declaration.

The footnotes do not have to be reproduced.

(1) - If only some of the Goods listed on the invoice are concerned they should be clearly
indicated or marked and this marking entered on the declaration as follows:

" _____ listed on this invoice and marked
_____ were produced in _____".

- If a document other than an invoice or an annex to the invoice is used, the name of
the document concerned shall be mentioned instead of the word "invoice".

(2) African Continental Free Trade Area State Party.

(3) Place and Date.

(4) Name and Designation in the Company.

(5) Signature.

B. SUPPLIER OR PRODUCER'S DECLARATION FOR PRODUCTS NOT HAVING PREFERENTIAL AFRICAN CONTINENTAL FREE TRADE AREA ORIGIN STATUS

I, the undersigned, declare that the Goods listed on this invoice _____(1)

were produced in _____(2)
and incorporate the following components or Materials which do not have an African Continental Free Trade Area origin for preferential trade:

_____(3)

_____(4)

_____(5)

_____(6)

I undertake to make available to the Designated Competent Authority, if required, evidence in support of this declaration.

_____(7)

_____(8)

_____(9)

Note

The abovementioned text, suitably completed in conformity with the footnotes below, constitutes a supplier's declaration.

The footnotes do not have to be reproduced.

(1) If only some of the Goods listed on the invoice are concerned they should be clearly indicated or marked and this marking entered on the declaration as follows: " _____ listed on this invoice and marked _____ were produced in _____".

If a document other than an invoice or an annex to the invoice is used, the name of the document concerned shall be mentioned instead of the word "invoice".

(2) African Continental Free Trade Area State Party.

(3) Description is to be given in all cases. The description must be adequate and should be sufficiently detailed to allow the tariff classification of the Goods concerned to be determined.

(4) Customs values to be given only if required.

(5) Country of Origin to be given only if required. The origin to be given must be a preferential origin, all other origins to be given as "third country".

(6) "and have undergone the following processing in African Continental Free Trade Area State Party _____, to be added with a description of the processing carried out if this information is required.

(7) Place and Date

(8) Name and Designation in the Company

(9) Signature

APPENDIX IV
AfCFTA RULES OF ORIGIN

(to be inserted)