

TRANSITIONAL ARRANGEMENT FOR THE IMPLEMENTATION OF THE 2ND PROTOCOL OF THE AANZFTA AGREEMENT

1. The 2nd Protocol will enter into force 60 days after the date by which Australia and New Zealand and at least four AMS make notification on completion of their internal requirements. As of Monday, 31 March 2025, four AMS, namely, Brunei, Lao PDR, Malaysia, and Singapore, Australia and New Zealand have deposited the Instrument of Ratification/Acceptance of the 2nd Protocol to amend the Agreement establishing AANZFTA. There will be a transitional period starting from the date of EIF of the 2nd protocol (i.e., 21 April 2025) until the date when the 2nd Protocol enters into force for all AANZFTA Parties. The SCROO agree to review the transitional arrangement no later than 30 June 2026.

2. The Sub-Committee on Rules of Origin (SCROO) developed transitional guidelines that would serve as a guide to assist exporters, importers, issuing authorities/bodies and importing authorities of AANZFTA Parties during the transitional period. These guidelines would only serve as a guide for the implementers and will not be attached to the AANZFTA Proof of Origin or be required for submission to importing authorities.

Notwithstanding these transitional guidance materials, the ultimate authority on the PSRs and text will be the text of the 1st and 2nd Protocol AANZFTA.

As at 21 April 2025:

Parties currently implementing the 2 nd Protocol	Parties currently implementing the 1 st Protocol
<ul style="list-style-type: none"> • Australia • New Zealand <p>ASEAN Member States:</p> <ul style="list-style-type: none"> • Brunei Darussalam • Lao PDR • Malaysia • Singapore 	<p>ASEAN Member States:</p> <ul style="list-style-type: none"> • Cambodia • Indonesia • Myanmar • Philippines • Thailand • Viet Nam

Note: Table to be updated as necessary

3. The key changes of the 2nd Protocol include:

- A. Product Specific Rules of Origin (Page 2)
- B. Cumulative Rules of Origin (Page 4)
- C. Proof of Origin (Page 6)

4. For the purposes of this document, these terms are defined as such:

- **PSR** Product Specific Rules
- **PO/POO** Proof of Origin
- **CO/COO** Certificate of Origin
- **DO/DOO** Declaration of Origin
- **AE** Approved Exporter

(please refer to text of the 1st and 2nd Protocol AANZFTA)

A. Product Specific Rules of Origin

- The PSRs applicable to both Protocols are based on HS 2022.
- The upgraded PSRs included in the 2nd Protocol are more lenient than that of the 1st Protocol.

Transitional guidelines - Implementation arrangements during transition period:

- For goods exported from a **Party implementing 2nd Protocol**:
 - **to Party implementing the 2nd Protocol**:
 - Issuance: the proof of origin should be issued based on PSR of the **2nd Protocol**
 - **to Party implementing the 1st Protocol**:
 - Issuance: the CO should be issued based on PSR of the **1st Protocol**
- For goods exported from **Party implementing the 1st Protocol**:
 - **to Party implementing the 2nd Protocol**:
 - Issuance: the CO should be issued based on PSR of the **1st Protocol**
 - **to Party implementing the 1st Protocol**:
 - Issuance: the CO should be issued based on PSR of the **1st Protocol**

		Parties Implementing the 1 st Protocol	Parties Implementing the 2 nd Protocol
		Receiving	Receiving
Parties Implementing the 1 st Protocol	Issuing	1 st Protocol PSR	1 st Protocol PSR
Parties Implementing the 2 nd Protocol	Issuing	1 st Protocol PSR	2 nd Protocol PSR

Transitional guidelines - Scenarios - Product Specific Rules of Origin

Scenario 1: Party A (2nd Protocol) export to Party B (2nd Protocol):

- Party A (2nd Protocol) to issue proof of origin using **PSR of the 2nd Protocol**
- Party B (2nd Protocol) to receive proof of origin using **PSR of the 2nd Protocol**

Scenario 2: Party C (1st Protocol) export to Party D (1st Protocol):

- Party C (1st Protocol) to issue CO using **PSR of the 1st Protocol**
- Party D (1st Protocol) to receive CO using **PSR of the 1st Protocol**

Scenario 3: Party A (2nd Protocol) export to Party C (1st Protocol):

- Party A (2nd Protocol) to issue CO using **PSR of the 1st Protocol**
- Party C (1st Protocol) would receive CO using **PSR of the 1st Protocol**

Scenario 4: Party D (1st Protocol) export to Party B (2nd Protocol):

- Party D (1st Protocol) to issue CO using **PSR of the 1st Protocol**
- Party B (2nd Protocol) would receive CO using **PSR of the 1st Protocol**

B. Cumulative Rules of Origin (Article 6 of ROO of the 2nd Protocol)

Timeline for implementation full cumulation:

- **Participating Parties (PP):** Article 6 para 3 requires Participating Parties to implement full cumulation (para 2 of Article 6) **180 days after the date of EIF** of the 2nd Protocol (i.e., after Saturday 18 October 2025).
- **Non-Participating Parties (NPP):** para 5 of Article 6 requires Parties not implementing full cumulation to notify other Parties **within 120 days after the date of EIF** of the 2nd Protocol (i.e., by Tuesday 19 August 2025).

Transitional guidelines - Implementation arrangements during transition period:

- For goods **exported from / imported to** Party implementing the **2nd Protocol**:
 - Participating Parties (PP):
 - PP are **allowed** to cumulate production undertaken or value added that **does not confer originating status** to a non-originating material **in other PP**.
 - PP are **not allowed** to cumulate production undertaken or value added that **does not confer originating status** to a non-originating material **of a NPP**.
 - PP **will accept** proof of origin, which includes production undertaken or value added that **does not confer originating status** to a non-originating material received **from other PP**.
 - PP **will not accept** proof of origin, which includes production undertaken or value added that **does not confer originating status** to a non-originating material received **from an NPP**.
 - Non-Participating Parties (NPP):
 - NPP are **not allowed** to cumulate production undertaken or value added that **does not confer originating status** to a non-originating material of either a NPP or PP.
 - NPP **will not issue** proof of origin, which includes production undertaken or value added that **does not confer originating status** to a non-originating material.
 - NPP **will not accept** proof of origin, which includes production undertaken or value added that **does not confer originating status** to a non-originating material received either from a PP or NPP.
- For goods **exported from / imported to** a Party implementing the **1st Protocol**:
 - Full Cumulation is **not possible**.
 - Party is **not allowed** to cumulate production undertaken or value added that **does not confer originating status** to that non-originating material of another Party.

- Party will **not accept** any Certificate of Origin that includes production undertaken or value added, that **does not confer originating status** to a non-originating material of another Party.

Source of Input	Full Cumulation possible?	
	PP	NPP
PP	Y	N
NPP	N	N

Transitional guidelines - Scenarios - Cumulative Rules of Origin

- Scenario 1: Party A (2nd Protocol - PP) uses non-originating material imported from Party B (2nd Protocol - PP):
 - Party B **can issue supporting documents** to certify inputs of Party B **to be cumulated** in Party A
 - Party A **can issue** proof of origin for its **originating goods** which **includes originating portion of materials** imported from Party B.
- Scenario 2: Party A (2nd Protocol - PP) use non-originating material imported from Party C (2nd Protocol – NPP):
 - Party C **can't issue any supporting document** to certify inputs of Party C **to be cumulated** in Party A.
 - Party A **can't cumulate** input from Party C when issuing proof of origin for its goods to be exported under AANZFTA.
- Scenario 3: Party A (2nd Protocol - PP) use non-originating material imported from Party D (1st Protocol):
 - Party D **can't issue any supporting document** to certify inputs of Party D **to be cumulated** in Party A.
 - Party A **can't cumulate** input from Party D when issuing proof of origin for its goods to be exported under AANZFTA.

C. Proof of Origin (Rule 1 of the Operational Certification Procedures)

- The 2nd Protocol acknowledges a Declaration of Origin (DO)¹
 - (i) by an approved exporter; or
 - (ii) by any exporter or producer, as Proof of Origin.
- DO by any exporter or producer shall be implemented:
 - **No later than 10 years after their respective EIF** of the 2nd Protocol (with possibility of maximum of 10 years extension of this transition period) – *for Australia, Brunei, Indonesia, Malaysia, New Zealand, the Philippines, Thailand and Viet Nam.*
 - **No later than 20 years after their respective EIF** of the 2nd Protocol (with possibility of maximum of 10 years extension of this transition period) – *for Cambodia, Lao PDR and Myanmar.*

Transitional guidelines - Implementation arrangements during transition period:

- Where **both Parties are Implementing the 2nd Protocol**:
 - Exporter of originating good would be able to use either of the following documents as proof of origin:
 - **Certificate of Origin (CO)** issued by issuing authority; or
 - **Declaration of Origin (DO)** issued by **Approved Exporter**.
 - Receiving authority would accept either of the following documents as proof of origin:
 - **Certificate of Origin (CO)** issued by issuing authority of exporting party; or
 - **Declaration of Origin (DO)** issued by **Approved Exporter** of the exporting party.
- Where at least one of the Parties is **Implementing the 1st Protocol**:
 - Exporter of originating good would be able to use **only Certificate of Origin (CO)** issued by issuing authority as proof of origin.
 - Receiving authority would accept **only Certificate of Origin (CO)** issued by issuing authority of exporting party as proof of origin.

¹ As in the Rule 1 of OCP of the 2nd Protocol

		Parties Implementing the 1 st Protocol	Parties Implementing the 2 nd Protocol
		Receiving	Receiving
Parties Implementing the 1 st Protocol	Issuing	CO only	CO only
Parties Implementing the 2 nd Protocol	Issuing	CO only	CO or DO

Transitional guidelines - Scenarios – Proof of Origin

Scenario 1: Party A (2nd Protocol) export to Party B (2nd Protocol):

- Exporter of Party A **would be allowed to use either CO or DO by AE** when exporting originating good to Party B
- Party B **would receive either CO or DO by AE** from exporter of Party A for AANZFTA preferential claim.

Scenario 2: Party A (2nd Protocol) export to Party C (1st Protocol):

- Exporter of Party A would be allowed to use **only CO** when exporting originating good to Party C
- Party C would **only receive CO** from exporter of Party A for AANZFTA preferential claim.

Scenario 3: Party C (1st Protocol) export to Party B (2nd Protocol):

- Exporter of Party C would be allowed to use **only CO** when exporting originating good to Party B
- Party B would **only receive CO** from exporter of Party C for AANZFTA preferential claim.

Scenario 4: Party C (1st Protocol) export to Party D (1st Protocol):

- Exporter of Party C would be allowed to use **only CO** when exporting originating good to Party B
- Party D would **only receive CO** from exporter of Party C for AANZFTA preferential claim.

List of Annex:

1. Annex 1: Matrix on AANZFTA Parties position on their acceptance of CO Form AANZ during the transition period.

ANNEX 1
AANZFTA Parties position on their acceptance of CO Form AANZ
during the transition period (status as of 21 April 2025)

Parties	Would Parties on the 1 st Protocol accept 2 nd Protocol CO Form AANZ using 1 st Protocol PSRs?	Would Parties on the 2 nd Protocol accept 1 st Protocol CO Form AANZ?
AU	Not applicable ^{1/}	Yes, will accept the 1 st Protocol CO issued until the end of the transition period, provided that it remains within the CO validity period.
BN	Not applicable ^{1/}	Yes, we will accept the 1 st Protocol CO issued up to 30 June 2026* within its validity period. *Note: Subject to further review when the last Party ratified the 2 nd Protocol.
KH	Can only accept the CO Form AANZ of 1 st Protocol if KH is still in the 1 st protocol.	Yes, we will accept the 1 st Protocol CO issued up to 30 June 2026* within its validity period and only applicable to Parties who have yet to implement the 2 nd Protocol. *Note: Subject to further review when the last Party ratified the 2 nd Protocol.
ID	Can only accept the CO Form AANZ of 1 st Protocol if ID is still in the 1 st protocol	Yes, we can accept CO that issued up to the transition period, which is until all members have already EIF the 2 nd Protocol, or at the latest by 30 th June 2026* *Note: Subject to further review when the last Party ratified the 2 nd Protocol.
LA	Not applicable ^{1/}	Yes, we will accept the 1 st Protocol CO issued up to 30 June 2026* within its validity period. *Note: Subject to further review when the last Party ratified the 2 nd Protocol.
MY	Not applicable ^{1/}	Yes, subject to further review when the last Party ratified the 2 nd Protocol where the validity of the CO issued remains one year.
MM	Can only accept the CO Form AANZ of 1 st Protocol if MM is still in the 1 st protocol	Yes, we will accept the 1 st Protocol CO issued up to 30 June 2026* within its validity period.

Parties	Would Parties on the 1 st Protocol accept 2 nd Protocol CO Form AANZ using 1 st Protocol PSRs?	Would Parties on the 2 nd Protocol accept 1 st Protocol CO Form AANZ?
		*Note: Subject to further review when the last Party ratified the 2 nd Protocol.
NZ	Not applicable ^{1/}	Yes, will accept the 1 st Protocol CO issued until the end of the transition period, provided that it remains within the CO validity period.
PH	<p>Acceptance: Can only accept the CO Form AANZ of 1st Protocol using Rules of Origin and PSR of the 1st protocol if PH is still in the 1st protocol</p> <p>Issuance: Can only issue the CO Form AANZ of 1st Protocol using Rules of Origin and PSR of the 1st protocol if PH is still in the 1st protocol</p>	<p>Yes, we will accept the 1st Protocol CO issued up to 30 June 2026* within its validity period.</p> <p>*Note: Subject to further review when the last Party ratified the 2nd Protocol.</p>
SG	Not applicable ^{1/}	Yes, we will accept the 1 st Protocol CO issued up to six months after the date when the 2 nd Protocol enters into force for all AANZFTA Parties, within the CO's validity period.
TH	<p>Acceptance: Can only accept the CO Form AANZ of 1st Protocol and PSR 1st protocol if TH is still in the 1st protocol</p> <p>Issuance: Can only issue the CO Form AANZ of 1st Protocol and PSR 1st protocol if TH is still in the 1st protocol</p>	<p>Acceptance: Yes, we will accept the 1st Protocol CO issued up to 30 June 2026* within its validity period.</p> <p>*Note: Subject to further review when the last Party ratified the 2nd Protocol.</p> <p>Issuance: can issue 1st Protocol CO Form AANZ but the Overleaf Notes would be the Overleaf Notes of the 2nd Protocol.</p>
VN	Can only accept the CO Form AANZ of 1 st Protocol if VN is still in the 1 st protocol	<p>Yes, we will accept the 1st Protocol CO issued up to 30 June 2026* within its validity period.</p> <p>*Note: Subject to further review when the last Party ratified the 2nd Protocol.</p>

Parties	Would Parties on the 1 st Protocol accept 2 nd Protocol CO Form AANZ using 1 st Protocol PSRs?	Would Parties on the 2 nd Protocol accept 1 st Protocol CO Form AANZ?
		<p>Upon entry into force of the 2nd Protocol for Viet Nam:</p> <ul style="list-style-type: none"> - All COs issued or received by Viet Nam to or from a Party implementing the 1st Protocol must use the rules of origin and PSR of the 1st Protocol. - All COs issued or received by Viet Nam to or from a Party implementing the 2nd Protocol must use the rules of origin and PSR of the 2nd Protocol.

^{1/}Note: Parties implementing the 2nd Protocol starting the EIF of the 2nd Protocol (i.e., 21 April 2025): Australia, Brunei D., Lao PDR, Malaysia, New Zealand and Singapore.