香港特別行政區政府 工業貿易署
Trade and Industry Department
The Government of the Hong Kong Special Administrative Region

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Notes for Traders Lodging CO(Form AHK) Applications

General Information

(1) While the Notes are prepared to facilitate traders' completion of application for Certificate of Hong Kong Origin – Form AHK (CO(Form AHK)) and highlight some specific data requirements, traders are advised to make reference to Chapter 3 (Rules of Origin) of ASEAN – Hong Kong, China Free Trade Agreement (AHKFTA), the relevant Circulars issued by the Trade and Industry Department (TID) and updated information posted on TID's website from time to time to ensure compliance with the requirements.

(2) Before lodging a CO(Form AHK) application, please ensure that the goods to be covered fall within a description of products eligible for preferential tariff treatment under the AHKFTA. The goods covered must also have been registered under the Factory Registration (FR) record(s) of the manufacturers and subcontractors (if any). If a CO(Form AHK) application covers goods that are not registered with TID, the application will be deferred or rejected.

(3) The term "Party/ies" in this Notes refers to Hong Kong and/or ASEAN Member States (AMS) *(Note 1)*

(4) All CO(Form AHK) applications (including fresh submissions, re-submissions, amendment and cancellation requests) must be completed in English and lodged through electronic trade document submission services. Traders may register with the relevant Electronic Service Providers appointed by the Government in order to use the electronic trade document submission services. Traders who are not ready to make electronic submissions can make use of the paper-to-electronic conversion service provided at designated service centres by the Service Providers for lodging CO(Form AHK) applications. For further information on the electronic services, please contact Brio Electronic Commerce Limited (Tel: 2111 1288), Global e-Trading Services Limited (Tel: 8201 0082) or Tradelink Electronic Commerce Limited (Tel: 2917 8888).

(5) Each fresh Certificate of Origin (CO) application will be assigned a Unique Certificate

Note 1: The AMS includes Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam.

of Origin Reference (UCR) number of 14 characters/digits. Traders should quote this number as a reference in all future correspondence, such as sending message to manufacturer/subcontractor, and making enquiries.

(6) If the CO(Form AHK) application is approved, an electronic approval message will be sent by the issuing organization to the traders via the electronic trade document submission services. The message includes the CO approval date and an Approval Number of 11 characters/digits. Exporters may print out the collection slip, apply its company chop on it and collect the CO(Form AHK) from the issuing organization.

(7) Traders may contact the Factory Registration and Origin Certification Branch of TID (Tel no.: 2398 5531/2398 5545) for more information on lodging CO(Form AHK) applications.

Making a CO(Form AHK) Application

(A) Exporter Section

(i) Exporter's Name, Address and Contact Details
[Box 1 "Goods Consigned from (Exporter's name, address and Country/Party)" on CO(Form AHK)]

- Please include details of the exporter of the goods (including full name and address) in Hong Kong.

(ii) Consignee's Name, Address and Contact Details
[Box 2 "Goods Consigned to (Consignee's name, address and Country/Party)" on CO(Form AHK)]

- Please include details of the consignee of the goods (including full name and address). The consignee must be located in a Party.

- If the goods are sent for exhibition in a Party and sold during or after the exhibition for importation into a Party (please refer to Section (A)(xi) below for details), please include the name and address of the exhibition under this section of the application.

(iii) Manufacturer(s)'s Name and Details

- Please include details of the manufacturer(s) of the goods.

(iv) Shipping Details
[Box 3 "Means of transport and route (as far as known)" on CO(Form AHK)]

- Please include the shipping details of the consignment, including the shipment date, vessel/flight number, etc., and port of discharge.

- Under normal circumstances, the shipment date must be later than the CO(Form AHK) application date.

- The port of discharge must be located in a Party.

(v) Item Number
[Box 5 "Item Number" on CO(Form AHK)]

- A maximum of five items are allowed on a CO(Form AHK) application.

(vi) Marks and Numbers on Packages
[Box 6 "Marks and numbers on packages" on CO(Form AHK)]

- Please include shipping marks and numbers as appeared on packages.

(vii) Product Description of Line Items
[Box 7 "Number and kind of packages; description of goods including HS Code (6 digits); and, if applicable, brand name. Names and country/party of the company issuing third party invoice, if applicable." on CO(Form AHK)]

- Please provide a description of each good. The description must be sufficiently detailed to enable the goods to be identified by the Customs Officers examining them.

- Please specify the number and kind of packages, and include product number, product name and brand name if applicable. Any trade mark shall also be specified.

- Please make reference to the "Hong Kong Imports and Exports Classification List (Harmonized System)" published by the Census and Statistics Department and provide the 8-digit Hong Kong Harmonized System (HS) codes corresponding to each of the goods concerned. The first 6 digits of the HS codes will be printed on the CO(Form AHK).

- In cases where the sales invoice is issued by a company located in a third party or by an exporter for the account of the said company, i.e. Third-Party Invoicing, the name and country/party of the company issuing the invoice, and certain invoice details must be provided. Please also refer to Section (A)(xi) below for other requirements.

(viii) Rules of Origin
[Box 8 "Origin-Conferring Criterion (see Overleaf Notes)" on CO(Form AHK)]

- Please refer to the rules of origin requirements as set out in Chapter 3 of the AHKFTA and its Annexes.

- Each good claiming preferential tariff treatment must qualify in its own right. This is of particular relevance when similar articles of different sizes or spare parts are exported.

- Please indicate the origin criteria met by the goods of each individual product item in both the Exporter Section and Manufacturer Section, according to the

following codes:

Circumstances of production or manufacture in Hong Kong:	**Insert in this section**
(a) Goods wholly obtained or produced in Hong Kong	"WO"
(b) Goods produced in Hong Kong exclusively from originating materials from one or more of the Parties	"PE"
(c) Goods satisfying Article 5 (Not Wholly Obtained or Produced Goods) of Chapter 3 (Rules of Origin) of the Agreement	
• Regional Value Content (RVC)	"RVC" or "PSR-RVC", as appropriate, and the actual Percentage of Regional Value Content, e.g. "RVC 45" or "PSR-RVC 45"
• Change in Tariff Classification (CTC)	The actual CTC rule, "PSR-CC" or "PSR-CTH" or "PSR-CTSH", as appropriate
• Specific Processes	"PSR-SP"
• Combination Criteria	The actual combination criterion, "PSR-COMB" and example "CTSH+35%"

- For CO(Form AHK) applications where the RVC criterion is applicable, traders should indicate the RVC percentage.

- An illustrative example of ROO application is on P.10 – 11 of the Notes.

(ix) Product Quantity, Unit of Quantity and FOB Value

[Box 9 "Quantity (Gross or Net weight or other measurement) and value (FOB) where RVC is applied (see Overleaf Notes)" on CO(Form AHK)]

- Quantity and quantity unit should be provided for each individual product item.

- If the product item is subject to the RVC criterion, the FOB value of the good must be stated.

(x) Invoice Details
[Box 10 "Invoice Number(s) and date of invoice(s)" on CO(Form AHK)]

- Please indicate the invoice number and date of invoice(s). The invoice should be the one issued for the importation of the good into the importing Party.

- Invoice details in applications involving Third-Party Invoicing should also be provided. Please refer to Section (A)(xi) below for details.

(xi) Checkbox Items
[Box 13 on CO(Form AHK)]

- The items in Box 13 should be ticked (✓), as appropriate, in those cases where such items are relevant to the goods covered by CO(Form AHK).

Items	**Description**	**What you should do**	
		Relevant Data Field	**Action Required**
Third-Party Invoicing	The goods covered in this application involve sales invoice (for the importation) issued by a company located in a third party or by an exporter for the account of the said company, in accordance with Rule 22 (Third Party Invoicing) of Annex 3-1 (Operational Certification Procedures) to Chapter 3 (Rules of Origin) of the AHKFTA *(Note 2)*.	(i) "Checkbox Indicator"	Exporter to check (✓) "AS1" (Third-Party Invoicing).
		(ii) "Name of company issuing third party invoice" and "Country/party of the company issuing third party invoice"	Exporter to provide the name and country/party of the company issuing the invoice(s). <u>For the case of third-party invoicing with more than three countries/parties involved</u>: Exporter to provide the name and country/party of the company issuing the final invoice, or if

Note 2: The case where the exporter and company issuing the invoice are located in the same Party/Country is not considered as "Third-party invoicing" in the AHKFTA context. Under such circumstances, exporters are advised to complete the application as follows to facilitate customs clearance:
- to make use of the "product description" data field to provide the name and country/party of the company issuing the final invoice for importation;
- to provide the number and date of the final invoice (if known) in the relevant data fields; and
- NOT to check (✓) "AS1" (Third-Party Invoicing)

Items	Description	What you should do	
		Relevant Data Field	**Action Required**
			known, the name and country/party of all companies issuing the third-party invoice.
		(iii) "Invoice Number" and "Invoice Date"	Exporter to provide the number(s) and date(s) of the invoice(s) issued by the manufacturer(s) or the exporter(s) and also of those issued by the trader(s) (if known) for the importation of goods into the importing Party. <u>For the case of third-party invoicing with more than three countries/parties involved</u>: Exporter to provide the number and date of the invoice issued by the manufacturers or the exporters and the number and date of the final invoice for importation, if known. In the absence of such information, the number and date of the invoice from any last party that is known to the issuing organization, may be reflected. In the case that the final invoice number and date is not shown on the CO(Form AHK), further information may be

Items	Description	What you should do	
		Relevant Data Field	**Action Required**
			requested at time of importation in order to verify the linkage of the transactions involved.
Accumulation	A good originating in a Party is used in Hong Kong as a material for a finished good covered in this application, in accordance with Article 7 (Accumulation) of Chapter 3 (Rules of Origin) of the AHKFTA.	(i) "Checkbox Indicator"	Exporter to check (✓) "AS2" (Accumulation).
		(ii) "Product Description of Line Items" and "Materials and components of other origin"	Manufacturer to indicate "Accumulation" under the relevant line item(s), and to specify the origin(s) of the relevant good(s) used as a material for a finished good.
De Minimis	The value of all non-originating materials used in the production of a good/goods covered in any applicable line items of this application which do not undergo the required CTC does not exceed ten percent (10%) of the FOB value of the good, in accordance with Article 10 (De Minimis) of Chapter 3 (Rules of Origin) of the AHKFTA.	(i) "Checkbox Indicator"	Exporter to check (✓) "AS3" (*De Minimis*).
		(ii) "Product Description of Line Items" and "Materials and components of other origin"	Manufacturer to indicate "*De Minimis*" under the relevant line item(s) and to specify the origin(s) and HS codes of the relevant good(s) used as a material for a finished good.
Exhibitions		(i) "Checkbox Indicator"	Exporter to check (✓) "AS4" (Exhibitions).

Items	Description	What you should do	
		Relevant Data Field	**Action Required**
	The goods covered in this application are sent from Hong Kong for exhibition in another Party and sold during or after the exhibition for importation into a Party, in accordance with Rule 21 (Exhibition Goods) of Annex 3-1 (Operational Certification Procedures) to Chapter 3 (Rules of Origin) of the AHKFTA.	(ii) "Consignee's Name, Address and Contact Details"	Exporter to include the name and address of the exhibition.

(B) Manufacturer Section

(i) Manufacturer(s)'s Name and Details

- Information provided should be identical to that provided by the exporter. Please refer to Section A(iii) above for details.

(ii) Principal Process(es) Done by Manufacturer, Subcontractor and Outworker in Hong Kong

- Manufacturers and subcontractors should clearly state the principal manufacturing processes performed by the respective parties in Hong Kong.

- If a subcontractor is employed to carry out the principal manufacturing processes or the entire production of the goods concerned under the Local Subcontracting Arrangement (LSA), the manufacturer should provide the subcontractor's information, including the subcontractor's name and address, the LSA approval number and the principal processes undertaken by the subcontractor. The manufacturer should also engage the subcontractor to endorse the information provided in the CO(Form AHK) application.

(iii) Line Items

- Information provided in the "Line Items" section should be identical to that in the "Product Description of Line Items" section provided by the exporter. Please refer to Section (A)(vii) above for details.

(iv) Rules of Origin
[Box 8 "Origin-Conferring Criterion (see Overleaf Notes)" on CO(Form AHK)]

- Please refer to Section (A)(viii) above for details.

(v) Materials and Components of Hong Kong and of Other Origin

- Traders should clearly state all the materials and components used in the manufacture of the goods. Traders should also state the origin of the materials and components used and their respective HS codes (for line items subject to CTC origin criteria).

- For application involving Accumulation and *De Minimis*, please refer to Section (A)(xi) above.

(C) Declarations Required for CO(Form AHK)

- The exporter, manufacturer, and subcontractor (if applicable) have to make the following declaration in the CO(Form AHK) application:

> **ASE - I declare that the goods described in this application comply with the rules of origin specified for those goods in the ASEAN – Hong Kong, China Free Trade Agreement.**

- The exporter is also required to make the following declaration in the CO(Form AHK) application. The authorized signatory making the declaration must sign in Box 11 on the issued CO(Form AHK) before passing it to the importer for claiming preferential tariff treatment:

> **U01 - For the purpose of completion of box 11 on CO(Form AHK), I declare that the details and statements provided for this application are correct; and that all the goods were produced in Hong Kong, China and that they comply with the rules of origin, as provided in Chapter 3 (Rules of Origin) of the ASEAN – Hong Kong, China Free Trade Agreement for the goods exported to the country/place as entered under "Importing Country/Party".**

- For applications covering goods subject to RVC requirement, the manufacturer must make the following declaration in the CO(Form AHK) application:

> **M19 - I declare that the regional value content of the goods declared in this application is calculated in accordance with Article 6 (Calculation of Regional Value Content) of Chapter 3 (Rules of Origin) of the ASEAN – Hong Kong, China Free Trade Agreement. The detailed calculation and all the supporting records are kept and will be made available for inspection for not less than three years from the date of issuance of this CO(Form AHK).**

Illustrative Example of ROO Application

Good : Juice Drink
HKHS Code : 2202 9910
Unit : litre

Applicable ROO under AHKFTA	: RVC 40

*As this item originates in an AMS Party under the AHKFTA and is used in Hong Kong as material for a finished good, "**Accumulation**" applies. This should be included in the ASEAN – Hong Kong, China Free Trade Area Material Cost and be treated as originating in Hong Kong when calculating the RVC.*

(a) Raw Materials:

	Origin	Value (HK$ per unit)	
1. Water	Hong Kong *(originating)*	0.01	(a)
2. Concentrate	Australia	0.79	(b)
3. Refined sugar	Korea	0.5	(c)
4. Flavour	Thailand *(originating)*	0.4	(d)
5. Carton Box Container	Korea	0.5	(e)
ASEAN – Hong Kong, China Free Trade Area Material Cost:		0.41	(a) + (d)
Value of Non-Originating Materials, Parts or Produce:		1.79	(b) + (c) + (e)

The value of the packaging material and container in which the good is packaged for retail sale should be taken into account, as non-originating materials in this case, when calculating the RVC.

The costs, insurance and freight (CIF) value at the time of importation or the earliest ascertained price paid for all non-originating materials, parts or produce that are acquired by the producer in the production of the good; non-originating materials include materials of undetermined origin.

Includes wages, remuneration and other employee benefits associated with the manufacturing process.

The costs incurred in placing the good in the ship or other means of transport for export including, but not limited to, domestic transport costs, storage and warehousing, port handling, brokerage fees and service charges.

(b) Other Components (HK$ per unit):

	Value (HK$ per unit)
Direct Labour Cost	0.5
Direct Overhead Cost	0.3
Other Costs	0.5
Profit	0.5

Includes, but is not limited to, real property items associated with the production process (insurance, factory rent and leasing, depreciation on buildings, repair and maintenance, taxes, interests on mortgage); leasing of and interest payments for plant and equipment; factory security; insurance (plant, equipment and materials used in the manufacture of the goods); utilities (energy, electricity, water and other utilities directly attributable to the production of the goods); research, development, design and engineering; dies, moulds, tooling and the depreciation, maintenance and repair of plant and equipment; royalties or licences (in connection with patented machines or processes used in the manufacture of the goods or the right to manufacture the goods); inspection and testing of materials and the goods; storage and handling in the factory; disposal of recyclable wastes; and cost elements in computing the value of raw materials, i.e. port and clearance charges and import duties paid for dutiable component.

FOB Price (HK$ per unit)	**4**

(c) RVC Calculation:

(i) Direct/Build-up Method

$$\text{RVC} = \frac{\text{ASEAN – Hong Kong, China Free Trade Area Material Cost} + \text{Direct Labour Cost} + \text{Direct Overhead Cost} + \text{Other Costs} + \text{Profit}}{\text{FOB Price}} \times 100\%$$

$$\text{RVC} = \frac{\$0.41 + \$0.5 + \$0.3 + \$0.5 + \$0.5}{\$4} \times 100\% = 55.25\%$$

OR

(ii) Indirect/Build-down Method

$$\text{RVC} = \frac{\text{FOB Price} - \text{Value of Non-Originating Materials, Parts or Produce}}{\text{FOB Price}} \times 100\%$$

$$\text{RVC} = \frac{\$4 - \$1.79}{\$4} \times 100\% = 55.25\%$$

Hence, the good is originating in this case.

Trade and Industry Department
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