



## ANNOUNCEMENT

### **ABOLISHMENT OF FOB PRICE IN THE CO FORM AJ**

There have been frequent requests from the private sector for the removal of Free on Board (FOB) Price to be stated in the Preferential Certificate of Origin (CO) under the various Free Trade Agreements (FTAs) implemented by ASEAN.

The Federal Government Gazette for the amendments related to ASEAN-Japan Comprehensive Economic Partnership (AJCEP) has been gazetted on 1 October 2014 for implementation effective immediately. The gazette is under **P.U.(A) 266/2014: Customs Duties (Goods under Agreement on Comprehensive Economic Partnership among Member States of the ASEAN and Japan) (Amendment) Order 2014.**

The 11<sup>th</sup> Meeting of the ASEAN-Japan Comprehensive Economic Partnership Joint Committee (AJCEP-JC) held in Nay Pyi Taw, Myanmar on 19-21 March 2014 endorsed the amendments to the ASEAN version of the Certificate of Origin (CO) Form AJ on the abolishment of the FOB value, except when the originating criterion used is Regional Value Content (RVC). These amendments will enter into force on 1 October 2014, with 6 months transitional period until 31 March 2015. During the transitional period, the old version of CO Form AJ shall be accepted. However, it is mandatory to use the new CO Form AJ effective on 1 April 2015. It was also agreed that, a grace period of two years starting from 1 October 2014 will be given Cambodia and Myanmar where the CO Form AJ issued to and from Cambodia and Myanmar shall reflect the FOB value regardless of the origin criteria.

Despite the deletion of "net weight" in Box 9 of the ASEAN version of the CO Form AJ, ASEAN and Japan will continue to accept COs which indicate net weight in Box 9.

Malaysian manufacturers and exporters are requested to take note of the changes and to follow the new requirements in the submission of the CO Form AJ to MITI HQ or its branch offices for endorsement.

For further information, please contact:

ASEAN Economic Cooperation Division

E-mail : [allasean@miti.gov.my](mailto:allasean@miti.gov.my) / [faris@miti.gov.my](mailto:faris@miti.gov.my)

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