NOTIFICATION OF THE MINISTRY OF COMMERCE

On Import of Goods into the Kingdom (No. 117) B.E. 2539 (1996)

Whereas, the Notification of the Ministry of Commerce on Import of Goods into the Kingdom (No. 111) B.E. 2539 (1996) determined agricultural products listed in the annex thereto which were originated in and exported from the member countries of the World Trade Organization (WTO) or GATT 1947 as goods requiring a tax clearance certificate in accordance with the commitment under the WTO Agreement on Agriculture to be presented to the Customs Department for importation;

There is no provision for rules of origin enforced specifically for such purpose, in order to facilitate the determination of origin of goods for importation, it is deemed appropriated to amend the aforementioned notification, by virtue of the provisions of Section 5 of the Export and Import of Goods Act, B.E. 2522 (1979), the Minister of Commerce, by and with the approval of the Council of Ministers, hereby issues this Notification, as follows:

Clause 1 This Notification shall be called the "Notification of the Ministry of Commerce on Import of Goods into the Kingdom (No. 117) B.E. 2539 (1996)."

Clause 2 This notification shall come into force on the first day following that of its publication in the Government Gazette.

Clause 3 The following provisions shall be added as paragraph 4 of Clause 4 of the Notification of the Ministry of Commerce on Import of Goods into the Kingdom (No. 111) B.E. 2539 (1996):

"The determination of origin of the goods under paragraph one shall be in compliance with the criteria attached to this Notification".

Clause 4 The Minister of Commerce shall have charge and control of the execution of this Notification.

Notified on the 12th Day of November B.E. 2539 (1996).

Chucheep Hansawat

Minister of Commerce

Criteria for Determining the Origin of 22 Agricultural Products
in compliance with the Commitment under the WTO Agreement of Agriculture attached to
the Notification of the Ministry of Commerce on Import of Goods into the Kingdom
(No. 117) B.E. 2539 (1996)

Clause 1: Goods determined as originating in the exporting country.

The imported goods shall be determined as originating in the exporting country if it satisfies the following criteria;

- (a) Goods wholly produced or obtained in the exporting country within the meaning of Clause 2; or
- (b) Goods not wholly produced or obtained in the exporting country shall be determined as originating in the exporting country, provided that they have undergone sufficient working or processing within the meaning of Clause 3.

Clause 2: Goods determined as wholly produced or obtained in the exporting country within the meaning of Clause 1 (a).

The following goods shall be determined as wholly produced or obtained in the exporting country;

- (a) Raw materials or mineral products extracted from soil, water, air or seabed of the exporting country; ¹
- (b) Agricultural produce harvested in the exporting country; ²
- (c) Animals born and raised in the exporting country;
- (d) Products obtained from the animals under Sub-clause (c);

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¹ Including fuels, lubricants and other materials obtained from minerals, including minerals and metal ores

² Including products from the wild

- (e) Products obtained from hunting and fishing conducted in the exporting country;
- (f) Products obtained from sea fishing and other products obtained from the sea by the vessels of the exporting country; 3 4
- (g) Products manufactured on board the factory ship and exclusively from the products referred to in Sub-clause (f); 4 5
- (h) Used articles collected in the exporting country, fit only for the recovery of raw materials;
- (i) Waste or scrap resulting from manufacturing operation conducted in the exporting country;
- (j) Goods produced in the exporting country, exclusively from products specified in Sub-clauses (a) to (i).

Clause 3: Goods not wholly produced or obtained in the Exporting Country

(a) Subject to the definition of Clause 1 (b), the goods produced or processed from raw materials, parts or produce originating in the country other than the exporting country or an unknown origin with the total value of not

[&]quot;Vessel" means a fishing vessel operated for commercial purposes registered in the exporting party and operated by a citizen or a government of such country or by a partnership, company or association registered in the exporting party with no less than 50 percent of the equity owned by citizen(s) and/or the government of the exporting party. However, products obtained from joint commercial fishing under the mutual agreement between the exporting countries whether in a form of renting vessels or share of fishery's total catch shall be considered as originating in the exporting party.

⁴ The requirement of "sailing under the flag of the exporting party" shall not apply to "vessels" or "factory ships" operated by the government agency.

⁵ For the purpose of this agreement, the terms "factory ship" shall mean a ship used to process or manufacture goods thereon exclusively from the products specified in Sub-clause (f).

exceeding 50 percent of the FOB ⁶ value of the products, provided that the final manufacturing process is conducted within the territory of the exporting country.

- (b) The value of raw materials, parts or produce originating in the country other than the exporting country shall be:
 - (1) The CIF value at the time of importation of such raw materials, parts or produce which can be proven; or
 - (2) The earliest ascertained price paid for raw materials, parts or produce with an unknown origin in the territory of the exporting country where the manufacturing process has been conducted.

<u>Clause 4: Direct Consignment</u> Goods shall be directly consigned from the exporting country to the Kingdom of Thailand under the following conditions:

- (a) The goods are transported without passing through the territory of other countries
- (b) The goods are transported passing through one or more intermediate countries with or without transshipment or temporary storage in such countries, provided that:
 - (1) the transit entry is justified for geographical reason or is a transport requirement;
 - (2) the products have not entered into trade or consumption in such countries; and
 - (3) the products have not undergone any operation other than unloading and reloading or any operation required to keep them in good condition.

⁶ <u>Value of Imported Raw Material</u> x 100 < 50%

<u>Clause 5: Treatment of Packing</u> In determining the origin of the goods, packages shall be considered parts of packing only.

Clause 6: Certificate of Origin The goods determined as originating in the exporting country shall be supported by a certificate of origin issued by the government agency or chamber of commerce and industry in the exporting country.

<u>Clause 7: Treatment</u> The goods considered to be in compliance with the origin criteria shall satisfy the requirements in Clauses 1, 4, 5 and 6 above.

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