

**CONCEPT 26: Processing of Goods**

**PROPOSAL NO. and PROPONENTS: No.: EX Input 30**

**AC**

*Note: For detailed information on each Component, its rationale and assessment, please refer Annex II to Summary Table of the PDTs.*

<b>COMPONENT 1: Option of a combined authorization for inward processing and processing for home use</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>:</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1): <i>Can be covered by existing RP 22, SA F, Chapter 1</i>  <i>Or</i>  <i>Alternatively SA F Chapter 1 and 4 should be combined and restructured.</i>	Section <sup>3</sup> : SA F Chapter No.: 1 Provision Reference <sup>4</sup> : RP 22 Existing Text ( <i>Only in case of Amendment</i> ): <i>Provision should be made for suspending or terminating inward processing by placing the imported goods or the compensating products under another Customs procedure, subject to compliance with the conditions and formalities applicable in each case.</i>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V:	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022: -

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<b>COMPONENT 1: Option of a combined authorization for inward processing and processing for home use</b>	
<b>CATEGORY<sup>1</sup>: 1</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: 7</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1): <i>Can be covered by existing Standard 8, SA F, Chapter 4</i>  Or  <i>Alternatively SA F Chapter 1 and 4 should be combined and restructured.</i>	Section <sup>3</sup> : SA F Chapter No.: 4 Provision Reference <sup>4</sup> : Standard 8 Existing Text ( <i>Only in case of Amendment</i> ): <i>Where justified by the circumstances and at the request of the person concerned, the Customs shall approve termination of the procedure when the products obtained from the manufacturing, processing or working are placed under another Customs procedure, subject to compliance with the conditions and formalities applicable in each case.</i>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V:	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June: -

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

**CONCEPT 34: Postal Traffic**

**PROPOSAL NO. and PROPONENTS: No.: No. 100, No. 101, EX Input No. 38**

**UY, AU, EEC**

*Note: For detailed information on each Component, its rationale and assessment, please refer Annex II to Summary Table of the PDTs.*

<b>COMPONENT 1a: Electronic Advance Data and risk management</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: NEW PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1): <i>For the purpose of risk management and Customs controls, the Customs shall have the right to request Electronic Advance Data from designated operators.</i></p> <p><i>Or</i></p> <p><i>Alternatively, can be captured by the Concept 9: ACI.</i></p> <p><u>Comment from the EEC:</u> The purpose of these amendments is to facilitate the submission of advance electronic data and electronic interaction in relation to postal items. Therefore, these two parts of the component are interconnected. Since we have separate Annexes for postal items, it makes more sense to have all the peculiarities there. This way, in our opinion, is more suitable for further implementation and application, taking into account the exponential growth in the volume of this category of goods. Another point is that advance data is a broader concept that can include not only ACI, but also declarations, etc.</p>	<p>Section<sup>3</sup>: SA J Chapter No.: 2 Provision Reference<sup>4</sup>: After Standard 3 Existing Text (<i>Only in case of Amendment</i>):</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

Therefore, from our point of view, considering this component within the framework of concept 9 is not the best way.	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V:	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022: -

<b>COMPONENT 1b : Cooperation (partnership) between the designated postal operators and Customs</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: NEW PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1): <i>Customs and designated operators shall strive to ensure electronic interaction when transporting postal items, with the priority use of electronic data.</i></p> <p>Sec. Note: This component highlights the need for cooperation and partnership between postal operators and Customs. However, there are several proposals within GA that suggest similar “cooperation” with third parties (Concept 14: Customs Role in Security, Concept 29: CBM, Concept 11: AEO)</p> <p><u>Comment from the EEC:</u> The purpose of these amendments is to ensure electronic interaction. This can be achieved, in particular, through the use of data exchange. But in our opinion, since we have a separate Annex for postal items, it makes more sense to have all the peculiarities there. This is also corresponded with a similar proposal for e-commerce (Expedited shipments).</p>	<p>Section<sup>3</sup>: SA J Chapter No.: 2 Provision Reference<sup>4</sup>: After Standard 3 Existing Text (<i>Only in case of Amendment</i>):</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V:	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June: -

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<b>COMPONENT 2 : Customs clearance: Customs declaring and payment of customs duties and taxes</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: NEW PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1): <i>Subject to the conditions stipulated in national legislation, the designated postal operators, may carry out the Customs declaring and payment of Customs duties and taxes in relation to postal items.</i></p> <p>Sec. Note: Already covered in the Guidelines to SA J Chapter 2 (5.3. The Postal service acts as a Customs clearing agent).</p> <p><u>Comment from the EEC</u>: In our opinion, more clarity on this issue directly in the RKC could facilitate to their more coordinated and unified implementation. There may be different practices, and having specific provisions in a specific Annex may be a more appropriate way of achieving uniformity of application across Members. The main objective of the proposals reflected in Components 1 and 2 is to improve the customs formalities for postal items in order to facilitate their processing and effective control. This can be achieved through the use of new emerging technologies, such as electronic data and interaction, which provide more opportunities for risk management and selectivity in customs control. Separating these components into different parts in various RKC provisions can cause problems during the implementation phase.</p>	<p>Section<sup>3</sup>: SA J Chapter No.: 2 Provision Reference<sup>4</sup>: After Standard 3 Existing Text (<i>Only in case of Amendment</i>):</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

29 <sup>th</sup> RKC/MC V:	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022: -
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**CONCEPT 33: RELIEF CONSIGNMENTS**

**PROPOSAL NO. JNT No. 33 (EX9, No.141)**

**PROPOSANTS: UN OCHA, IFRC, ITU, UNCTAD, NP, EC, MG**

*Note:*

- *For detailed information on each Component, its rationale and assessment, please refer Annex II to Summary Table of the PDTs.*
- *The Sec. Note under some PDTs is provided only for facilitation of discussions.*

<b>COMPONENT 1: Clarifying the Scope of application of SA J5</b>	
<b>CATEGORY<sup>1</sup>: 1</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1):</p> <p>The Customs should facilitate rapid cross-border movement of relief consignments [at least/ until] the end of the initial recovery period.</p> <p><i>Sec. note:</i></p> <ul style="list-style-type: none"> <li>• <i>Woudn't it be up to the sovereign state (not Customs) to determine when to terminate a request for international assistance?</i></li> </ul>	<p>Section<sup>3</sup>: Specific Annex J Chapter No.: 5 Provision Ref<sup>4</sup>: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<ul style="list-style-type: none"> <li>• <i>Isn't the suggested text partly covered by Standard J5.2 already?</i> J 5.2: "Clearance of relief consignments for export, transit, temporary admission and import shall be carried out as a matter of priority"</li> </ul>	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Clarifying the Scope of application of SA J5</b> <b>CATEGORY<sup>1</sup>: 1</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1): The provisions of this Annex shall apply from when the state affected by a disaster makes a request for international assistance or accepts an offer of international assistance until when the affected state terminates the assistance.</p> <p><i>Sec. Comment:</i> <i>It may not be necessary to specify in the RKC when the provisions should or should not apply.</i></p>	<p>Section<sup>3</sup>: Specific Annex J Chapter No.: 5 Provision Ref<sup>4</sup>: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX



29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -
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<b>COMPONENT 1: Clarifying the Scope of application of SA J5</b>	
<b>CATEGORY<sup>1</sup>: 1</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1): States should, as and when appropriate, enter into agreements with eligible actors to provide relevant legal facilities for the pre-positioning of stocks in preparation for potential disaster or after a specific disaster warning</p> <p><i>Sec. note:</i></p> <ul style="list-style-type: none"> <li>• <i>Wouldn't this be beyond the control of Customs hence an issue for the sovereign state to determine if, when and with whom to enter into agreements?</i></li> <li>• <i>Further, it seems this is not directly relate to the scope of the RKC (simplification and harmonisation of Customs procedures and general objective of the SAJ 5 (regulating the Customs treatment of relief consignments.</i></li> <li>• <i>The GA already has provisions on collaboration e.g Standard 6.8: "The Customs shall seek to co-operate with the trade and seek to conclude Memoranda of Understanding to enhance Customs control."</i></li> </ul>	<p>Section<sup>3</sup>: Specific Annex Chapter No.: Chap 5 Provision Ref<sup>4</sup>: Standard Existing Text (<i>Only in case of Amendment</i>):</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Clarifying the Scope of application of SA J5</b> <b>CATEGORY<sup>1</sup>: 1</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1): The Customs should deem certain actors to be eligible to receive legal facilities including:</p> <ul style="list-style-type: none"> <li>a) assisting states;</li> <li>b) relevant intergovernmental organizations, including UN and regional organizations;</li> <li>c) components of the Red Cross Red Crescent Movement; and</li> <li>d) any other entity the Member State considers appropriate.</li> </ul> <p>Other eligible actors should be subject to an approval process requiring them to establish they:</p> <ul style="list-style-type: none"> <li>• have adequate capacity and experience in disaster relief and comply with international quality standards;</li> <li>• adhere to the core humanitarian principles of humanity, neutrality and impartiality;</li> </ul>	<p>Section<sup>3</sup>: Specific Annex J Chapter No.: 5 Provision Ref<sup>4</sup>: Standard Existing Text (<i>Only in case of Amendment</i>):</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<ul style="list-style-type: none"> <li>do not intend to make any profit or other commercial gain from providing disaster relief; and</li> <li>possess adequate insurance for their disaster relief activities.</li> </ul> <p><i>Sec. note:</i></p> <ul style="list-style-type: none"> <li><i>Wouldn't this be beyond the control of Customs hence an issue for the sovereign state to determine which persons should provide relief items?</i></li> <li><i>Further, it seems this is not directly related to the scope of the RKC (simplification and harmonisation of Customs procedures and general objective of the SAJ 5 (regulating the Customs treatment of relief consignments).</i></li> </ul>	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Clarifying the Scope of application of SA J5</b> <b>CATEGORY<sup>1</sup>: 1</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT.</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1):  This Chapter applies to disasters.	Section <sup>3</sup> : Specific Annex Chapter No.: Chap 5 Provision Ref <sup>4</sup> : N/A Existing Text ( <i>Only in case of Amendment</i> ):

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<p><i>Sec. note:</i></p> <p><i>The current nature of the chapter does not specify what situations it applies to which means it is inclusive of <u>all situations</u> where relief consignments would be required. Wouldn't this be a better approach than specifying that it applies to disasters?</i></p>	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29th RKC/MC V2:	29th RKC/MC held from 30 May to 3 June 2022: -

<p><b>COMPONENT 1: Clarifying the Scope of application of SA J5</b></p> <p><b>CATEGORY<sup>1</sup>: 1</b></p> <p><b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b></p>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1): “Disaster” refers to “a serious disruption of the functioning of society, which poses a significant, widespread threat to human life, health, property or the environment, whether arising from accident, nature or human activity, whether developing suddenly or as the result of long-term processes, <b>but excluding armed conflict</b>”.</p> <p><i>(Source: Proponents’ proposal)</i></p> <p style="text-align: center;">or</p>	<p>Section<sup>3</sup>: Specific Annex J Chapter No.: 5 Provision Ref<sup>4</sup>: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<p>“A serious disruption of the functioning of society, causing widespread human, material or environmental losses which exceed the ability of the affected society to cope using only its own resources.”</p> <p><i>(Source: Appendix II to the Guidelines for SA J5.)</i></p> <p style="text-align: center;">or</p> <p>The term shall be taken to cover both natural disasters and similar catastrophes.</p> <p><i>(Source: The Recommendation of the Customs Co-operation Council to Expedite the Forwarding of Relief Consignments in the Event of Disasters.)</i></p>	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29th RKC/MC V2:	29th RKC/MC held from 30 May to 3 June 2022: -

<p><b>COMPONENT 1: Clarifying the Scope of application of SA J5</b></p> <p><b>CATEGORY<sup>1</sup>: 1</b></p> <p><b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b></p>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1): Eligible actors are:	Section <sup>3</sup> : Specific Annex Chapter No.: Chap 5 Provision Ref <sup>4</sup> : Standard Existing Text <i>(Only in case of Amendment)</i> :

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

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<p>“the international and domestic actors that the affected state has determined are eligible to receive legal facilities”.</p> <p>or</p> <p>“the select group of actors which an affected state can trust to import appropriate and high quality disaster relief goods and equipment.”</p>	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29th RKC/MC V2:	29th RKC/MC held from 30 May to 3 June 2022: -

<p><b>COMPONENT 2: Expanded list of legal facilities</b></p> <p><b>CATEGORY<sup>1</sup>: 1</b></p> <p><b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: Amendment of existing RKC text.</b></p>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1): In the case of relief consignments the Customs shall provide for :</p> <ul style="list-style-type: none"> <li>- lodging of a simplified Goods declaration or of a provisional or incomplete Goods declaration subject to completion of the declaration within a specified period;</li> <li>- lodging and registering or checking of the Goods declaration and supporting documents prior to the arrival of the goods, and their release upon arrival;</li> <li>- clearance outside the designated hours of business or away from Customs offices and the waiver of any charges in this respect; and</li> </ul>	<p>Section<sup>3</sup>: Specific Annex J Chapter No.: 5 Provision Ref<sup>4</sup>: Standard Existing Text (<i>Only in case of Amendment</i>): J 5.3</p> <p><i>In the case of relief consignments the Customs shall provide for :</i></p> <ul style="list-style-type: none"> <li>- <i>lodging of a simplified Goods declaration or of a provisional or incomplete Goods declaration subject to completion of the declaration within a specified period;</i></li> <li>- <i>lodging and registering or checking of the Goods declaration and supporting documents prior to the arrival of the goods, and their release upon arrival;</i></li> <li>- <i>clearance outside the designated hours of business or away from Customs offices and the waiver of any charges in this respect; and</i></li> </ul>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<ul style="list-style-type: none"> <li>- examination and/or sampling of goods only in exceptional circumstances;</li> <li>- exemption from customs duties, taxes, tariffs or governmental fees-;</li> <li>- simplified and expedited processes for applying for duty exemption or refund;</li> <li>- exemption from export and import economic prohibitions or restrictions;</li> <li>- simplified and expedited processes for approval or licenses to import and export relevant items;</li> <li>- for imported goods and equipment, permission to re-export any equipment or unused goods which eligible actors wish to retain;</li> <li>- expedited permission for the passage and arrival of land, marine and air vehicles carrying relief consignments.</li> </ul> <p>Sec note:</p> <ul style="list-style-type: none"> <li>• <i>Some of the suggested aspects are already covered by J5.2, 5.3. 5.5 and 5.6 hence suggested for deletion.</i></li> <li>• <i>Regarding waiver of duties, another option could be to amend J5.5 as follows: "In the case of relief consignments any economic <del>export</del> prohibitions or restrictions and any <del>export</del> duties or taxes otherwise payable should be waived"</i></li> </ul>	<ul style="list-style-type: none"> <li>- <i>examination and/or sampling of goods only in exceptional circumstances.</i></li> </ul>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29th RKC/MC V2:	29th RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 2: Expanded list of legal facilities</b> <b>CATEGORY<sup>1</sup>: 1</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT.</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1): The provisions in Standard 3 should be made <b>available to international and domestic eligible actors</b> only as determined by the affected state and shall be provided not only by the affected state itself, but also by originating and transit states (i.e. the states where goods and equipment originate from and transit through)., taxes, tariffs or fees already paid);</p> <p><i>Sec. Note:</i></p> <ul style="list-style-type: none"> <li>• <i>The suggested definition for eligible actors already includes both international and domestic actors.</i></li> <li>• <i>The Annex is binding on all CPs who have accepted. Moreover, Standard J5.2 already cover instances of export, import, and transit. So the suggested text could be a duplication.</i></li> </ul>	<p>Section<sup>3</sup>: Specific Annex J Chapter No.: 5 Provision Ref<sup>4</sup>: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29th RKC/MC V2:	29th RKC/MC held from 30 May to 3 June 2022: -

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX



<b>COMPONENT 3 : New definition of “relief consignments”</b> <b>CATEGORY<sup>1</sup>: 1</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: Amendment of existing RKC text.</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>“relief consignments” means:</p> <ul style="list-style-type: none"> <li>• goods: <b>the supplies intended to be provided to disaster-affected communities for their relief or initial recovery, as well as supplies required for disaster relief personnel for the duration of their activities; and</b></li> <li>• equipment: <b>physical items, other than goods, that are to be distributed to disaster-affected communities or used by disaster relief personnel for relief or initial recovery assistance, such as vehicles, medical devices, solar equipment and telecommunications equipment.</b></li> </ul> <p>Sec. note:</p> <ul style="list-style-type: none"> <li>• <i>While the proposed definition is shorter and minimizes references to specific types of goods and equipment, it excludes phrases such as “of prime necessity” and “in order to perform their duties and to support them ... throughout the duration of their mission” which are essential guiding parameters in determining which items qualify as relief consignments in a given situation.</i></li> <li>• <i>The current non-exhaustive approach has merit in that it provides examples of such items for guidance purposes, while the phrase</i></li> </ul>	<p>Section<sup>3</sup>: Specific Annex J Chapter No.: 5 Provision Ref<sup>4</sup>: Definition Existing Text (<i>Only in case of Amendment</i>):</p> <p><i>For the purpose of this Chapter: “relief consignment” means:</i></p> <p><i>-goods , including vehicles and other means of transport, foodstuffs, medicaments, clothing, blankets, tents, prefabricated houses, water purifying and water storage items or other goods of prime necessity, forwarded as aid to those affected by disaster, and</i></p> <p><i>- all equipment, vehicles and other means of transport specially trained animals, provisions, supplies, personal effects and other goods for disaster relief personnel in order to perform their duties and to support them in living and working in the territory of the disaster throughout the duration of their mission.</i></p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<p><i>“and/or other goods” indicates that the definition can accommodate any other goods that may not be listed but which meet the parameters mentioned above.</i></p>	
<p><b>Updated PDT: INTERSESSION &amp; RKC/MC</b></p>	<p><b>KEY DISCUSSIONS &amp; OUTCOME</b></p>
<p>29th RKC/MC V2:</p>	<p>29th RKC/MC held from 30 May to 3 June 2022: -</p>

**CONCEPT 35: EXPRESS/EXPEDITED SHIPMENTS**

**PROPOSAL No.102, No.103, V4.5**

**PROPONENTS: PH, AU, VWG**

*Note:*

- *For detailed information on each Component, its rationale and assessment, please refer Annex II to Summary Table of the PDTs.*
- *Some proposed elements in proposal EX 39 by the EEC (Expedited Shipment) be discussed further together with Proposal No. 102 (PH) and No. 103 (AU) (E-commerce), while considering the basic principles of mode neutrality and a level playing field in the RKC. (Source: Para. 85 of RKC/MC Report of the 23rdRK/MC, Doc PO0142Ea.)*
- *Need to review how the term “e-commerce” as used in Transitional Standard 6.9 and Standard 7.4 of the General Annex impacts its current meaning as used concept 35.*
- *Comment from the EEC concerning note 3: In our opinion, the term "electronic commerce" in standards 6.9 and 7.4 has a different meaning than "electronic commerce" in the Framework of Standards. Then in standards 6.9 and 7.4 we could replace the word "commerce" with "means", since we already use this term in the potential text of standards 3.18 and 3.21.*

**COMPONENT 1: Specific principles and standards relevant to cross-border e-commerce**

**CATEGORY<sup>1</sup>: 7**

**TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT**

<p><b>PRELIMINARY PDT</b></p>	<p><b>REFERENCE to EXISTING/CURRENT RKC</b></p>
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<sup>1</sup> *Category 1 – RKC, Category 7 – RKC and Guidelines*

<sup>2</sup> *Type of Potential Draft Text (PDT): AMENDMENT of the existing RKC text and/or NEW PDT*

PDT Version 1 (V1):

The Customs, working in coordination with other relevant government agencies, shall establish and maintain simplified clearance procedures utilizing pre-arrival processing and risk assessment of cross-border E-Commerce shipments, and procedures for immediate release of low-risk shipments on arrival or departure.

Or

Consider it together with the PDT on perishable goods under chapter 3 GA where it was suggested to expand the scope beyond perishable goods.

Comment from the EEC: The simplified customs procedure is just one element of the new regulation. In our opinion, if we develop special provisions for e-commerce, then this should be a special Annex, as well as for Postal items. We could then enrich this Annex with relevant provisions according to the Members' practices and more practical experience, in particular in the field of implementing e-commerce standards and developing relevant national legislation after conducting experiments and pilot projects. Therefore, in our opinion, a dedicated Annex could be more appropriate, as we could cover all aspects related to e-commerce in it. This topic is more comprehensive and requires an integrated approach. And it's not just about priority treatment and simplified procedures.

Moreover, as the EEC has previously stressed, the possible content of the Annex should be consistent with its title. And therefore we need to be clear about whether we are developing express shipments or e-commerce provisions, because they are not the same thing. If we decide to develop provisions for e-commerce, then we should take the main general standards from the Framework of Standards, taking into account

Section<sup>1</sup>: Specific Annex  
Chapter No.: N/A  
Provision Ref<sup>2</sup>: N/A  
Existing Text (*Only in case of Amendment*): N/A

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<sup>1</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>2</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

the structure of the RKC and using language, and include them in a special Annex. All peculiarities and details may be subject to Framework of Standards, but general mandatory standards may be included in the RKC.	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29th RKC/MC V2:	29th RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Specific principles and standards relevant to cross-border e-commerce</b> <b>CATEGORY<sup>1</sup>: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1): The Customs shall work with relevant government agencies and in close co-operation with E-Commerce stakeholders to accurately capture, measure, analyse and publish cross-border E-Commerce statistics in accordance with international statistical standards and national policy, for informed decision making.</p> <p>Or</p> <p>Explore the possibility of covering it under Standard 6.7 &amp; 6.8 GA on cooperation for Customs control purposes and/ or the PDT under Concept No. 7 (data issues) GA about the right of Customs to acquire data from relevant sources.</p>	<p>Section<sup>3</sup>: Specific Annex Chapter No.: N/A Provision Ref<sup>4</sup>: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29th RKC/MC V2:	29th RKC/MC held from 30 May to 3 June 2022: -

COMPONENT 1: Specific principles and standards relevant to cross-border e-commerce	
CATEGORY <sup>1</sup> : 7	
TYPE OF POTENTIAL DRAFT TEXT (PDT) <sup>2</sup> : New PDT	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1): The Customs, in collaboration with other relevant government agencies and the trade, shall explore innovative technological developments and consider whether these developments can contribute to more effective and efficient control and facilitation of cross-border E-Commerce.</p> <p>Or</p> <p>Consider it covered by Chapter 7 GA which already encourages use of IT for Customs purposes.</p>	<p>Section<sup>3</sup>: Specific Annex Chapter No.: N/A Provision Ref<sup>4</sup>: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29th RKC/MC V2:	29th RKC/MC held from 30 May to 3 June 2022: -

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX



**CONCEPT 27: Travellers**  
**PROPOSAL NO.: JNT No. 27-2**  
**PROPOSONENTS: ZA, IN**

*Note: For detailed information on each Component, its rationale and assessment, please refer Annex II to Summary Table of the PDTs.*

<b>COMPONENTS 1: Customs passenger clearance system (a, b, d and e)</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1):</p> <p>The Customs shall establish a passenger’s clearance system, an enforcement and risk management strategies, and shall seek cooperation with other law enforcement authorities to address safety, security, and other risks.</p>	<p>Section<sup>3</sup>: Specific Annex J1 Chapter No.: 1 Travellers Provision Ref.<sup>4</sup>: <b>Standard</b> Existing Text (<i>Only in case of Amendment</i>):</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
<p>29<sup>th</sup> RKC/MC: V</p>	<p>29<sup>th</sup> RKC/MC Meeting held from 30 May to 3 June: -</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<b>COMPONENT 2: Use of advance technologies, recognition of the compliance level for passenger's facilitation and customs control</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: New PDT</b>	
<i>(Note: This component has two PDTs as presented below. One is as a Standard and the other one as a Recommended Practice.)</i>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1):</p> <p>The Customs shall use advance technologies to the greatest possible extent to facilitate the clearance of passengers in a timely and a minimally intrusive manner.</p>	<p>Section<sup>3</sup>: Specific Annex J1 Chapter No.: 1 Travellers Provision Ref.<sup>4</sup>: <b>Standard</b> Existing Text <i>(Only in case of Amendment)</i>:</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
<p>29<sup>th</sup> RKC/MC V:</p>	<p>29<sup>th</sup> RKC/MC Meeting held from 30 May to 3 June:</p>
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>The Customs should establish compliance programmes to facilitate the clearance of accredited low-risk passengers.</p>	<p>Section: Specific Annex J1 Chapter No.: 1 Travellers Provision Ref.: <b>Recommended Practice</b> Existing Text <i>(Only in case of Amendment)</i>:</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
<p>29<sup>th</sup> RKC/MC: V1</p>	<p>29<sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX



COMPONENTS 3a and 3b: Need to declare currency and other negotiable instruments / Documents to be used for currency declaration	
CATEGORY <sup>1</sup> : 7	
TYPE OF POTENTIAL DRAFT TEXT (PDT) <sup>2</sup> : New PDT	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
PDT Version 1 (V1): Travellers who are carrying currency and/or other negotiable instruments exceeding the amounts stipulated by the national legislation, and travellers carrying high-value goods, are required to lodge a declaration upon their entry to the country of destination and upon their departure, and shall provide a proof of purchase of currency or of the high value goods.	Section <sup>3</sup> : Specific Annex J1 Chapter No.: 1 Travellers Provision Ref. <sup>4</sup> : <b>Standard</b> Existing Text ( <i>Only in case of Amendment</i> ):
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC: V	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

COMPONENTS 3a and 3b: Need to declare currency and other negotiable instruments / Documents to be used for currency declaration	
CATEGORY <sup>1</sup> : 7	
TYPE OF POTENTIAL DRAFT TEXT (PDT) <sup>2</sup> : AMENDMENT of Existing Standard 38	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>Transit passengers who do not leave the transit area shall not be required to pass through any Customs control. <b>However, transit passengers who are carrying currency and/or other negotiable instruments exceeding the amounts stipulated in the national legislation, and transit passengers carrying high-value goods, shall be required to declare to Customs.</b></p> <p>The Customs shall be allowed to maintain general surveillance of transit areas and to take any action necessary when a Customs offence is suspected.</p>	<p>Section<sup>3</sup>: Specific Annex J1 Chapter No.: 1 Travellers Provision Ref.<sup>4</sup>: <b>Standard</b> Existing Text (<i>Only in case of Amendment</i>): Standard 38</p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC: V	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

**CONCEPT 27: Travellers**

**PROPOSAL NO.: 91: Information exchange on vehicles for private use**

**PROPONENTS: PE, RU**

<b>COMPONENT 1c: Customs passenger clearance system: Declaration in respect of the goods carried by passengers</b>	
<b>COMPONENT 2: Electronic declaration for vehicle entry</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: AMENDMENT of Existing PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1):</p> <p>Travellers should be permitted to make an oral declaration in respect of the goods carried by them. However, the Customs may require an written or electronic declaration for goods carried by travellers which constitute <b>are subject to</b> an importation or exportation <b>or other Customs procedures</b>, of a commercial nature or which exceed, in value or quantity, the limits laid down in national legislation, <b>or for safety and security purposes</b></p>	<p>Section<sup>3</sup>: Specific Annex J1 Chapter No.: 1 Travellers Provision Ref.<sup>4</sup>: <b>Recommended Practice</b> Existing Text (<i>Only in case of Amendment</i>): Recommended Practice 9</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC: V	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

**CONCEPT 28: RULES OF ORIGIN**

**PROPOSAL NO. JNT No. 28 (No. 40/No. 40C, No. 92, No. 93, No. 127-132, EX12, EX22, EX36, SEC3)**

**PROPONENTS: EU, JP, NZ, CH, CN, NO, UNCTAD, EEC, RENAULT NISSAN, FONTERRA, SEC.**

Note:

- For detailed information on each Component, its rationale and assessment, please refer Annex II to Summary Table of the PDTs.
- The PDTs under this concept are divided into two parts: non preferential and preferential RoO

**NON-PREFERENTIAL Rule of Origin**

<b>COMPONENT 1: Determination of a non-preferential origin</b> <b>CATEGORY<sup>1</sup>: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: Amendment of the existing RKC text</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>For the purposes of this Chapter :</p> <p>“country of origin of goods” means the country <del>or Customs territory or Customs Union</del> in which the goods have been produced or manufactured, according to the criteria laid down for the purposes of application of: <del>the Customs tariff, of quantitative restrictions or of any other measure related to trade.</del></p> <p>- <del>Application of Most-Favoured Nation-treatment;</del></p>	<p>Section<sup>3</sup>: Specific Annex K Chapter No.: 1 Provision Ref<sup>4</sup>: Definition Existing Text (<i>Only in case of Amendment</i>):</p> <p><i>“country of origin of goods” means the country in which the goods have been produced or manufactured, according to the criteria laid down for the purposes of application of the Customs tariff, of quantitative restrictions or of any other measure related to trade.</i></p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<ul style="list-style-type: none"> <li>- Anti-dumping and countervailing duties;</li> <li>- Safeguard measures;</li> <li>- Origin marking requirements;</li> <li>- Quantitative restrictions or tariff quotas;</li> <li>- Government procurement;</li> <li>- and trade statistics.</li> </ul>	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Determination of a non-preferential origin</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1):  "non-preferential rules of origin" means the specific provisions, developed from principles established by national legislation <del>or international agreements</del> ("origin criteria"), applied by a country to determine the origin of goods;	Section: Specific Annex K Chapter No.: 1 Provision Ref: Definition Existing Text ( <i>Only in case of Amendment</i> ):  <i>"rules of origin" means the specific provisions, developed from principles established by national legislation or international agreements ("origin criteria"), applied by a country to determine the origin of goods;</i>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

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<b>COMPONENT 1: Determination of a non-preferential origin</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1):  The <b>non-preferential</b> rules of origin necessary for the implementation of the measures which the Customs are responsible for applying both at importation and at exportation shall be laid down in accordance with the provisions of this Chapter and, insofar as applicable, by the provisions in the General Annex.	Section: Specific Annex K Chapter No.: 1 Provision Ref: Standard 1.1 Existing Text ( <i>Only in case of Amendment</i> ):  <i>The rules of origin necessary for the implementation of the measures which the Customs are responsible for applying both at importation and at exportation shall be laid down in accordance with the provisions of this Chapter and, insofar as applicable, by the provisions in the General Annex.</i>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Determination of a non-preferential origin</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): NEW PDT</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>(Insert after Standard 1.1)</p> <p>Country of origin of the imported goods should, in principle, be determined, declared and proven, where necessary, on the basis of the rules of that importing country.</p> <p>An importing country should decide to accept a determination of the country of origin of goods based on the rules of another country (e.g. the exporting country), for example if it has not established its own rules of origin for non-preferential purposes.</p>	<p>Section: Specific Annex K            Chapter No.: N/A            Provision Ref: N/A            Existing Text (<i>Only in case of Amendment</i>): N/A</p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
<p>29<sup>th</sup> RKC/MC V2:</p>	<p>29<sup>th</sup> RKC/MC held from 30 May to 3 June 2022:            -</p>

**COMPONENT 1: Determination of a non-preferential origin**

**CATEGORY: 7**

**TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text**

PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>Goods produced wholly in a given country shall be taken as originating in that country <b>or that Customs territory or that Customs Union</b>. The following only shall be taken to be produced wholly in a given country <b>or the Customs territory or the Customs Union</b>:</p> <p>(a). mineral products extracted from its soil, from its territorial waters or from its sea-bed;</p> <p>(b). vegetable products harvested or gathered in that country <b>or that Customs territory or the Customs Union</b>;</p> <p>(c). live animals born and raised in that country <b>or that Customs territory or that Customs Union</b>;</p> <p>(e). products obtained from live animals in that country <b>or that Customs territory or that Customs Union</b>;</p> <p>(f). products obtained from hunting or fishing conducted in that country <b>or that Customs territory or that Customs Union</b>;</p> <p>(g). products obtained by maritime fishing and other products taken from the sea by a vessel of that country <b>or that Customs territory or that Customs Union</b>;</p> <p>(g). products obtained aboard a factory ship of that country <b>or that Customs territory or that Customs Union</b> solely from products of the kind covered by paragraph (f) above;</p> <p>(h). products extracted from marine soil or subsoil outside that country's <b>or that Customs territory's or that Customs Union's</b> territorial waters, provided that the country has sole rights to work that soil or subsoil;</p> <p>(i) scrap and waste from manufacturing and processing operations, and used articles, collected in that country <b>or that Customs territory or that Customs Union</b> and fit only for the recovery of raw materials;</p>	<p>Section: Specific Annex K Chapter No.: 1 Provision Ref: Standard 1.2 Existing Text (<i>Only in case of Amendment</i>):</p> <p><i>Goods produced wholly in a given country shall be taken as originating in that country. The following only shall be taken to be produced wholly in a given country:</i></p> <p>(a). <i>mineral products extracted from its soil, from its territorial waters or from its sea-bed;</i></p> <p>(b). <i>vegetable products harvested or gathered in that country;</i></p> <p>(c). <i>live animals born and raised in that country;</i></p> <p>(d). <i>products obtained from live animals in that country;</i></p> <p>(e). <i>products obtained from hunting or fishing conducted in that country;</i></p> <p>(f). <i>products obtained by maritime fishing and other products taken from the sea by a vessel of that country;</i></p> <p>(g). <i>products obtained aboard a factory ship of that country solely from products of the kind covered by paragraph (f) above;</i></p> <p>(h). <i>products extracted from marine soil or subsoil outside that country's territorial waters, provided that the country has sole rights to work that soil or subsoil;</i></p> <p>(i). <i>scrap and waste from manufacturing and processing operations, and used articles, collected in that country and fit only for the recovery of raw materials;</i></p> <p>(j). <i>goods produced in that country solely from the products referred to in paragraphs (a) to (ij) above.</i></p>



(j). goods produced in that country or that Customs territory or that Customs Union solely from the products referred to in paragraphs (a) to (ij) above.	
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Determination of a non-preferential origin</b>	
<b>CATEGORY: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1):  Where two or more countries or Customs territories or Customs Unions have taken part in the production of the goods, the origin of the goods should be determined according to the substantial transformation criterion or the applicable cumulation of originating materials and cumulation of processes.	Section Specific Annex K Chapter No.: 1 Provision Ref: Recommended Practice 1.3 Existing Text ( <i>Only in case of Amendment</i> ):  <i>Where two or more countries have taken part in the production of the goods, the origin of the goods should be determined according to the substantial transformation criterion.</i>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Determination of a non-preferential origin</b>	
<b>CATEGORY: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1):</p> <p>Where the substantial transformation criterion is expressed in terms of the ad valorem percentage rule, the values to be taken into consideration should be:</p> <ul style="list-style-type: none"> <li>- for the materials imported, the dutiable value at importation or, in the case of materials of undetermined origin, the first ascertainable price paid for them in the territory of the country <b>or the Customs territory or the Customs Union</b> in which manufacture took place; and</li> <li>- for the goods produced, either the ex-works price or the price at exportation, according to the provisions of national legislation.</li> </ul>	<p>Section: Specific Annex K Chapter No.: 1 Provision Ref: Recommended Practice 1.5 Existing Text (<i>Only in case of Amendment</i>):</p> <p><i>Where the substantial transformation criterion is expressed in terms of the ad valorem percentage rule, the values to be taken into consideration should be:</i></p> <ul style="list-style-type: none"> <li>- <i>for the materials imported, the dutiable value at importation or, in the case of materials of undetermined origin, the first ascertainable price paid for them in the territory of the country in which manufacture took place; and</i></li> <li>- <i>for the goods produced, either the ex-works price or the price at exportation, according to the provisions of national legislation.</i></li> </ul>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
<p>29<sup>th</sup> RKC/MC V2:</p>	<p>29<sup>th</sup> RKC/MC held from 30 May to 3 June 2022:</p> <p>-</p>

**COMPONENT 1: Determination of a non-preferential origin**

**CATEGORY: 7**

**TYPE OF POTENTIAL DRAFT TEXT (PDT): NEW PDT**

PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>(Insert after Recommended Practice 1.5)</p> <p>Where the country of origin cannot be determined after applying primary rule of the substantial transformation criterion, the following residual rule should be applied in sequence.</p> <p>(a) When a good is produced by further processing of a material which is classified in the same subdivision as the good, the country of origin of the good should be the single country or the Customs territory or the Customs Union in which the material originated;</p> <p>(b) When a good is produced by further processing a material that does not satisfy the primary rule for the good, the country of origin of the good should be the single country or the Customs territory or the Customs Union in which the material originated. For the purposes of this rule, account shall be taken of both originating and non-originating material;</p> <p>(c) The country of origin of a good is the country where a residual rule at the chapter level is satisfied;</p> <p>(d) The country of origin of a good should be the country of origin of material or materials incorporated in the good by further processing, provided the origin of material or materials is a single country;</p> <p>(e) When a good is produced from materials of more than one country or Customs territory or Customs Union, the country of origin of the good should be the country or Customs territory or Customs Union</p>	<p>Section: Specific Annex K Chapter No.: N/A Provision Ref: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p> <p>-</p>

<p>in which the major portion of those materials originated, as determined by the criterion applied;</p> <p>(f) Where the criterion for the application of Rule (e) above is weight or volume, and that criterion does not allow for origin to be determined, the criterion of value shall be used;</p>	
<p><b>Updated PDT: INTERSESSION &amp; RKC/MC</b></p>	<p><b>KEY DISCUSSIONS &amp; OUTCOME</b></p>
<p>29<sup>th</sup> RKC/MC V2:</p>	<p>29<sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -</p>

**COMPONENT 1: Determination of a non-preferential origin**

**CATEGORY: 7**

**TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text**

PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>Operations which do not contribute or which contribute to only a small extent to the essential characteristics or properties of the goods, and in particular operations confined to one or more of those listed below, should not be regarded as constituting substantial manufacturing or processing:</p> <ul style="list-style-type: none"> <li>a) operations to ensure the preservation of products in good condition during transport and storage (ventilation, spreading out, drying, removal of damaged parts and similar operations) or operations facilitating shipment or transport;</li> <li>b) simple operations consisting of removal of dust, sifting or screening, sorting and grading, classifying, matching, washing, cutting up;</li> <li>c) changes of packaging and breaking up and assembly of consignments, simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;</li> <li>d) the presentation of goods in sets or ensembles or presentation for sale;</li> <li>e) the affixing of marks, labels or other distinguishing signs on products or their packaging;</li> <li>f) simple assembly of parts of products to constitute a complete product;</li> <li>g) disassembly or change of use;</li> <li>h) a combination of two or more operations specified in subparagraphs (a) to (g).</li> </ul> <p>Furthermore, certain activities like for example design of plans, inspection and testing, quality control of goods should never be regarded as working or processing operations.</p>	<p>Section: Specific Annex K Chapter No.: 1 Provision Ref: Recommended Practice 1.6 Existing Text (<i>Only in case of Amendment</i>):</p> <p><i>Operations which do not contribute or which contribute to only a small extent to the essential characteristics or properties of the goods, and in particular operations confined to one or more of those listed below, should not be regarded as constituting substantial manufacturing or processing:</i></p> <ul style="list-style-type: none"> <li>a) <i>operations necessary for the preservation of goods during transportation or storage;</i></li> <li>b) <i>operations to improve the packaging or the marketable quality of the goods or to prepare them for shipment, such as breaking bulk, grouping of packages, sorting and grading, repacking;</i></li> <li>c) <i>simple assembly operations;</i></li> <li>d) <i>mixing of goods of different origin, provided that the characteristics of the resulting product are not essentially different from the characteristics of the goods which have been mixed.</i></li> </ul>

Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 1: Determination of a non-preferential origin</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
PDT Version 1 (V1):  Where provisions requiring the direct transport of goods from the country <b>or the Customs territory or the Customs Union</b> of origin are laid down, derogations therefrom should be allowed, in particular for geographical reasons (for example, in the case of landlocked countries) and in the case of goods which remain under Customs control in third countries (for example, in the case of goods displayed at fairs or exhibitions or placed in Customs warehouses).	Section: Specific Annex K Chapter No.: 1 Provision Ref: Recommended Practice 1.12 Existing Text ( <i>Only in case of Amendment</i> ):  <i>Where provisions requiring the direct transport of goods from the country of origin are laid down, derogations therefrom should be allowed, in particular for geographical reasons (for example, in the case of landlocked countries) and in the case of goods which remain under Customs control in third countries (for example, in the case of goods displayed at fairs or exhibitions or placed in Customs warehouses).</i>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 2: Procedural requirements related to non-preferential origin</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>Documentary evidence of origin should be required only when it is <b>absolutely</b> necessary for the application of <b>non-preferential rules of origin preferential Customs duties, of economic or trade measures adopted unilaterally or under bilateral or multilateral agreements or of measures adopted for reasons of health or public order.</b></p>	<p>Section: Specific Annex K            Chapter No.: 2            Provision Ref: Recommended Practice 2            Existing Text (Only in case of Amendment): N/A</p> <p><i>Documentary evidence of origin should be required only when it is necessary for the application of preferential Customs duties, of economic or trade measures adopted unilaterally or under bilateral or multilateral agreements or of measures adopted for reasons of health or public order.</i></p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
<p>29<sup>th</sup> RKC/MC V2:</p>	<p>29<sup>th</sup> RKC/MC held from 30 May to 3 June 2022:            -</p>

<b>COMPONENT 2: Procedural requirements related to non-preferential origin</b>	
<b>CATEGORY: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT): New PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1): (Insert after Recommended Practice 2.5) The Customs and/or other competent authorities of the importing country, should have the right to determine the relevance of the supporting documentation, including documentary evidence of origin issued by and on the basis of the rules of origin of another country.	Section: Specific Annex K Chapter No.: N/A Provision Ref: N/A Existing Text (Only in case of Amendment): N/A
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 2: Procedural requirements related to non-preferential origin</b>	
<b>CATEGORY: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT): New PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
PDT Version 1 (V1): (Insert after Recommended Practice 2.5) A requirement from the importing country for documentary evidence of the country of origin, shall not entail an obligation for the exporting country to provide it, except in duly justified cases where the importing and exporting countries have put in place a system of administrative cooperation.	Section: Specific Annex K Chapter No.: N/A Provision Ref: N/A Existing Text (Only in case of Amendment): N/A



Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022:
<b>COMPONENT 3: Control of non-preferential origin</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): Amendment of the existing RKC text</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
PDT Version 1 (V1):  Administrative assistance for the control of documentary evidence of origin shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex, <b>or by default, on the basis of Article 12 of the WTO Trade Facilitation Agreement.</b>	Section: Specific Annex K Chapter No.: 3 Provision Ref: Standard 3.1 Existing Text ( <i>Only in case of Amendment</i> ):  <i>Administrative assistance for the control of documentary evidence of origin shall be governed by the provisions of this Chapter and, insofar as applicable, by the provisions of the General Annex.</i>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC V2:	29 <sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -

<b>COMPONENT 3: Control of non-preferential origin</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): New PDT</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
PDT Version 1 (V1):  (Insert after Standard 3.1)	Section: Specific Annex K Chapter No.: N/A Provision Ref: N/A Existing Text ( <i>Only in case of Amendment</i> ): N/A

<p>The Customs of the importing country shall have the right to verify the country of origin declared by the importer and to request for evidences for this purpose.</p>	
<p><b>Updated PDT: INTERSESSION &amp; RKC/MC</b></p>	<p><b>KEY DISCUSSIONS &amp; OUTCOME</b></p>
<p>29<sup>th</sup> RKC/MC V2:</p>	<p>29<sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -</p>
<p><b>COMPONENT 4: Miscellaneous</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): New PDT</b></p>	
<p><b>PRELIMINARY PDT</b></p>	<p><b>REFERENCE to EXISTING/CURRENT RKC</b></p>
<p>PDT Version 1 (V1):  (Insert after Recommended Practice 1.4) For the purposes of the application of the substantial transformation criterion based on tariff classification change, non-originating materials that do not satisfy the criterion may be disregarded, provided that the totality of such materials does not exceed a certain percentage of the value of the good.</p>	<p>Section: Specific Annex K Chapter No.: N/A Provision Ref: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>
<p><b>Updated PDT: INTERSESSION &amp; RKC/MC</b></p>	<p><b>KEY DISCUSSIONS &amp; OUTCOME</b></p>
<p>29<sup>th</sup> RKC/MC V2:</p>	<p>29<sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -</p>

<p><b>COMPONENT 4: Miscellaneous</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): New PDT</b></p>	
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PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1): (Insert after Recommended Practice 2.5)</p> <p>When the Customs of the country on importation requires documentary evidence of origin, the electronic format should be accepted.</p>	<p>Section: Specific Annex K Chapter No.: N/A Provision Ref: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
<p>29<sup>th</sup> RKC/MC V2:</p>	<p>29<sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -</p>

<b>COMPONENT 4: Miscellaneous</b> <b>CATEGORY: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT): New PDT</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1): (Insert after Standard 3.10)</p> <p>Request for control and reply to the request may be carried out through electronic exchange of the information where the documentary evidence of origin concerned was issued in an electronic format.</p>	<p>Section: Specific Annex K Chapter No.: N/A Provision Ref: N/A Existing Text (<i>Only in case of Amendment</i>): N/A</p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
<p>29<sup>th</sup> RKC/MC V2:</p>	<p>29<sup>th</sup> RKC/MC held from 30 May to 3 June 2022: -</p>

**CONCEPT 24: FREE ZONE (SA D/Chapter 2)**

**PROPOSAL NO.:** JNT No. 24, (No. 60/60C (ZA), No. 88/88C (EU), No. 106 (CN), No. 61 (HT), No. 62 (CU)): Free Zone Processing

**PROPONENTS:** ZA, EU, CN, HT, CU, CN, VWG

<b>COMPONENT 1: Definition of Free Zones</b>	
<b>CATEGORY<sup>1</sup>: 1 (Taking note of divergent and dissenting views, no text has been agreed upon.)</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: AMENDMENT of the existing RKC text.</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1):</p> <p>“free zone” means a designated area within the customs territory of a Contracting Party where any goods entering or leaving that designated area are not subject to import duties and taxes as long as they are in that designated area, unless the concerned Contracting Party decides otherwise. In a free zone, Customs Authorities can carry out Customs controls in accordance with their national Customs legislation. (EU)</p> <p>OR</p> <p>“free zone” means a part of the territory of a Contracting Party where any goods under the control of the Customs administration are generally regarded, insofar as import duties and taxes are concerned, as being outside the Customs territory; (SN)</p> <p>(Note: Original PDT provided by SN is in FR)</p>	<p>Section<sup>3</sup>: Specific Annex D Chapter No.: 2 Provision Ref.<sup>4</sup>: E1/F1, Definition Existing Text (Only in case of Amendment):</p> <p><i>For the purpose of this Chapter :</i></p> <p>“<b>free zone</b>” means a part of the territory of a Contracting Party where any goods introduced are generally regarded, insofar as import duties and taxes are concerned, as being outside the Customs territory.</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC: V2	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<b>COMPONENT 2.1: Customs Control</b> <b>CATEGORY<sup>1</sup>: 7</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: AMENDMENT of the existing RKC text.</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>The Customs shall lay down the arrangements for Customs control including appropriate requirements as regards the suitability, construction and layout of free zones.</p> <p><del>Such arrangements shall allow Customs to perform controls to any activity carried out within free zones. In order to ensure effective controls, all persons carrying out an activity involving the storage, working or processing of goods, or the sale or purchase of goods in free zones, shall be required to keep appropriate records in a form approved by the Customs authorities.</del></p> <p>(Note:</p> <ul style="list-style-type: none"> <li>- The joint proponents suggested to include the proposed PDT as an additional paragraph in current Standard 1.3.</li> <li>- Secretariate made minor edits to the proposed PDT.)</li> </ul>	<p>Section<sup>3</sup>: Specific Annex D Chapter No.: 2 Provision Ref.<sup>4</sup>: Standard 1.3 Existing Text (<i>Only in case of Amendment</i>):</p> <p><i>The Customs shall lay down the arrangements for Customs control including appropriate requirements as regards the suitability, construction and layout of free zones.</i></p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC: V2	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<b>COMPONENT 2.2: Encourage businesses to carry out operations in FZs</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: NEW PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1):</p> <p>In view of the development of free zones and the demand for Customs control, Customs can encourage businesses to carry out operations in the free zone.</p> <p><i>(Note: The joint proponents suggested to include the proposed PDT as a Recommended Practice after current Standard 1.3.)</i></p>	<p>Section<sup>3</sup>: Specific Annex D Chapter No.: 2 Provision Ref.<sup>4</sup>: To be considered after Standard 1.3 Existing Text <i>(Only in case of Amendment)</i>:</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC: V2	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

<b>COMPONENT 2.3: Reject goods entering FZs for reasons of public policy</b>
<b>CATEGORY<sup>5</sup>: 7</b>
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>6</sup>: AMENDMENT of the existing RKC text.</b>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<sup>5</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>6</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
<p>PDT Version 1 (V1):</p> <p>Admission to a free zone of goods brought from abroad should not be refused solely on the grounds that the goods are liable to prohibitions or restrictions other than those imposed on grounds of :</p> <ul style="list-style-type: none"> <li>- <b>public policy</b>, public morality or order, public security, public hygiene or health, or for veterinary or phytosanitary considerations; or</li> <li>- the protection of patents, trade marks and copyrights,</li> <li>- <b>the protection of human, animals and plants</b></li> <li>- <b>the protection of the environment.</b></li> <li>- <b>the protection of national treasures possessing artistic, historic or archaeological value.</b></li> </ul> <p>irrespective of country of origin, country from which arrived or country of destination.</p> <p>Goods which constitute a hazard, which are likely to affect other goods or which require special installations should be admitted only to free zones specially designed to receive them.</p> <p><i>(Note: The joint proponents suggested to amend the current Recommended Practice 6 including 'public policy and three additional grounds.')</i></p>	<p>Section<sup>1</sup>: Specific Annex D Chapter No.: 2 Provision Ref.<sup>2</sup>: Recommended Practice 1.6 Existing Text <i>(Only in case of Amendment)</i>:</p> <p><i>Admission to a free zone of goods brought from abroad should not be refused solely on the grounds that the goods are liable to prohibitions or restrictions other than those imposed on grounds of :</i></p> <p><i>public morality or order, public security, public hygiene or health, or for veterinary or phytosanitary considerations; or</i></p> <p><i>the protection of patents, trade marks and copyrights,</i></p> <p><i>irrespective of country of origin, country from which arrived or country of destination.</i></p> <p><i>Goods which constitute a hazard, which are likely to affect other goods or which require special installations should be admitted only to free zones specially designed to receive them.</i></p>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC: V2	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

<sup>1</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>2</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<b>COMPONENT 2.4: Closure of FZs</b>	
<b>CATEGORY<sup>1</sup>: 7</b>	
<b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: NEW PDT</b>	
<b>PRELIMINARY PDT</b>	<b>REFERENCE to EXISTING/CURRENT RKC</b>
<p>PDT Version 1 (V1):</p> <p>Where the person concerned fails to move the goods into another free zone or place them under another Customs procedure while having the need to do so, Customs may propose the state to provide necessary remedies.</p> <p>Customs may have the authority to propose to shut down the free zone.</p> <p><i>(Note:</i>  <ul style="list-style-type: none"> <li>- <i>The joint proponents suggested to include the proposed PDT as a Recommended Practice after current Standard 1.20.)</i></li> </ul> </p>	<p>Section<sup>3</sup>: Specific Annex D            Chapter No.: 2            Provision Ref.<sup>4</sup>: To be considered after Standard 1.20            Existing Text (<i>Only in case of Amendment</i>):</p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
<p>29<sup>th</sup> RKC/MC: V2</p>	<p>29<sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:</p>

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX



<b>COMPONENT 3: Need to provide the requested information to the Customs Authorities and use of modern technologies</b> <b>CATEGORY<sup>1</sup>: 1</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>2</sup>: AMENDMENT of the existing RKC text.</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC
PDT Version 1 (V1): <p style="color: red;"><u>The person concerned should lodge a Goods declaration should be lodged</u> in respect of goods introduced into or exiting from a free zone by using electronic data-processing techniques. Customs may accept the availability of the required data elements in the records of the person concerned as goods declaration.</p> <p>(Note:            - The joint proponents suggested to replace the current Recommended Practice 1.9 with the proposed PDT.            - Secretariate made minor edits to the proposed PDT.)</p>	Section <sup>3</sup> : Specific Annex D Chapter No.: 2 Provision Ref. <sup>4</sup> : Recommended Practice 1.9 Existing Text ( <i>Only in case of Amendment</i> ):  <i>No Goods declaration should be required by the Customs in respect of goods introduced into a free zone directly from abroad if the information is already available on the documents accompanying the goods.</i>
Updated PDT: INTERSESSION & RKC/MC	KEY DISCUSSIONS & OUTCOME
29 <sup>th</sup> RKC/MC: V2	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

<b>COMPONENT 7: Information to be conveyed to customs for goods exiting from a free zone to be sent directly abroad</b> <b>CATEGORY<sup>5</sup>: 1</b> <b>TYPE OF POTENTIAL DRAFT TEXT (PDT)<sup>6</sup>: AMENDMENT (DELETE) of the existing RKC text.</b>	
PRELIMINARY PDT	REFERENCE to EXISTING/CURRENT RKC

<sup>1</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>2</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<sup>3</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>4</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX

<sup>5</sup> **Category 1 – RKC, Category 7 – RKC and Guidelines**

<sup>6</sup> **Type of Potential Draft Text (PDT):** AMENDMENT of the existing RKC text and/or NEW PDT

<p>PDT Version 1 (V1):</p> <p><del>Where a document must be produced to the Customs in respect of goods which on removal from a free zone are sent directly abroad, the Customs should not require more information than already available on the documents accompanying the goods.</del></p> <p>(Note: - The joint proponents suggested to delete the current Recommended Practice 1.18.)</p>	<p>Section<sup>1</sup>: Specific Annex D Chapter No.: 2 Provision Ref.<sup>2</sup>: Recommended Practice 1.18 Existing Text (<i>Only in case of Amendment</i>):</p> <p><i>Where a document must be produced to the Customs in respect of goods which on removal from a free zone are sent directly abroad, the Customs should not require more information than already available on the documents accompanying the goods.</i></p>
<b>Updated PDT: INTERSESSION &amp; RKC/MC</b>	<b>KEY DISCUSSIONS &amp; OUTCOME</b>
29 <sup>th</sup> RKC/MC: V2	29 <sup>th</sup> RKC/MC Meeting held from 30 May to 3 June 2022:

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<sup>1</sup> **Section:** Horizontal issues/Body or General Annex or Specific Annexes

<sup>2</sup> **Provision Reference:** Standard XX or Transitional Standard XX or Recommended Practice XX