

AGREED RULES OF ORIGIN FOR PTA BETWEEN PAKISTAN AND IRAN

The following are the Rules of Origin as applicable to trade concessions exchanged between the Islamic Republic of Pakistan hereinafter referred to as “Pakistan” and the Islamic Republic of Iran hereinafter referred to as “Iran” under Preferential Trade Agreement (PTA).

1. **Short Title, commencement and application.**—(I) These rules may be called the Pakistan-Iran Preferential Trade Agreement Rules of Origin 2004.

(2) They shall come into force alongwith the implementation of the Iran-Pakistan PTA.

(3) These rules shall apply to products originating from Iran.

2. **Determination of origin.**—No product shall be deemed to be the produce or manufacture of Contracting Parties unless a competent officer of Customs in the Importing Contracting Party, is satisfied that the conditions specified in the schedule to these rules are complied with in relation to such products.

3. **Claim at the time of Importation.**---The Importer of the products shall at the time of importation____

- (a) make a claim that the products are the produce or manufacture of a Contracting Party and such products are eligible for preferential concession; and
- (b) produce the evidence specified in the Schedule to these rules.

THE SCHEDULE

(See rule 3)

1. **Originating products.**---Products covered by Preferential Trade Agreement imported into the territory of a Contracting Party from the other Contracting Party which are consigned directly within the meaning of paragraph 5 hereof, shall be eligible for preferential concessions if they conform to the origin requirements under any one of the following conditions, namely:---

- (a) products wholly produced or obtained in the exporting Contracting Party as defined in paragraph 2: or
- (b) products not wholly produced or obtained in the exporting Contracting Party, provided that the said products are eligible under paragraph 3.

2. **Wholly produced or obtained.**---Within the meaning of clause (a) of paragraph 1 the following shall be considered as wholly produced or obtained in the exporting Contracting Party, namely:-

- (a) raw or mineral products extracted from its soil, its water or its seabeds and including mineral fuels, lubricants and related materials as well as mineral or metal ores:
- (b) agricultural products harvested there including forestry products:
- © animals born and raised therein;
- (d) products obtained from animals referred to in clause © above:
- (e) products obtained by hunting or fishing conducted therein;
- (f) products of sea fishing and other marine products taken from the high seas by its vessels;
- (g) products processed or made on board its factory ships exclusively from products referred to in clause (f);
- (h) used articles collected therein and are fit only for the recovery of raw materials;
- (i) waste and scrap resulting from manufacturing operations conducted therein; and
- (j) goods produced therein exclusively from the products referred to in clauses (a) to (i) above.

3. Not wholly produced or obtained.---(1) Within the meaning of clause(b) of paragraph 1, products worked on or processed as a result of which the total value of the materials, parts or produce originating from other than the exporting Contracting Party or of undetermined origin used does not exceed fifty per cent of the f.o.b. (or F.C.A.) value of the products produced or obtained and the final process of manufacture is performed within the territory of the exporting Contracting Party shall be eligible for preferential concessions subject to fulfillment of the relevant criteria thereof.

(2) the value of the non-originating materials, parts or produce shall be_

- (a) the C.I.F (or C.I.P) value at the time of importation of materials, parts or produce where this can be proven; or
- (b) the earliest ascertainable price paid for the mater, parts or produce of undetermined origin in the territory of the exporting Contracting Party.

4. Direct consignment.---The following shall be considered as directly consignment from the exporting Contracting Party to the Importing Contracting Party, namely:---

- (a) if the products are transported without passing through the territory of any non-Contracting Party; and

- (b) the products whose transport involves transit through one or more intermediate non-Contract Party with or without transshipment or temporary storage in such countries, provided that ---
 - (i) the transit entry is justified for geographical reason or by considerations related exclusively to transport requirements.
 - (ii) the products have not entered into trade or consumption there; and
 - (iii) the products have not undergone any operation there other than unloading and reloading or any operation required to keep them in good condition.

5. Treatment of packing.---When determining the origin of products, packing shall be considered as forming a whole with the product it contains, unless packing has to be treated separately under the national legislation.

6. Insufficient work or processing.---Not one or more of the following operations or processes shall by themselves constitute the final process of manufacture:

7. Certificate of Origin.---(1) Products eligible for preferential concessions shall be supported by a Certificate of Origin, in the form annexed herewith, issued by an authority designated by the Government of the exporting Contracting Party and notified to the other Contracting Party in accordance with the Certification Procedures mentioned in the form annexed herewith.

(2) The Contracting Parties shall do their best to co-operate in order to specify origin of inputs in the Certificate of Origin.

8. Review.---These Rules may be reviewed as and when necessary upon request of either of the Parties and may be open to such modifications as may be agreed thereupon.