ANNEX V

REFERRED TO IN ARTICLE 2.3

REGARDING RULES OF ORIGIN AND MUTUAL ADMINISTRATIVE CO-OPERATION IN CUSTOMS MATTERS

ANNEX V

REFERRED TO IN ARTICLE 2.3

REGARDING RULES OF ORIGIN AND MUTUAL ADMINISTRATIVE CO-OPERATION IN CUSTOMS MATTERS

TABLE OF CONTENTS:

TITLE I

GENERAL PROVISIONS

Article 1

Definitions

For the purposes of this Annex:

(a) "*chapters*", "*headings*" and "*subheadings*" mean the chapters (two-digit codes), the headings (four-digit codes) and subheadings (six digit codes) used in the nomenclature of the Harmonized System;

(b) "*classified*" refers to the classification of a product or material under a particular chapter, heading, or subheading;

(c) *"customs authority"* means the authority that according to the legislation of a Party is responsible for the administration of its customs legislation;

(d) *"competent authority"* means the authority that, according to the legislation of a Party, is responsible for the issuance of a movement certificate EUR.1, origin verifications and other origin issues;

(e) "*consignment*" means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;

(f) "*customs value*" means the calculated value determined in accordance with the Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade 1994 (WTO Agreement on Customs Valuation);

(g) "*ex-works price*" means the price paid for the product ex-works to the manufacturer in a Party in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used, minus any internal taxes returned or repaid when the product obtained is exported;

(h) "*Harmonized System*" means the Harmonized Commodity Description and Coding System in force, including its general rules and legal notes;

(i) "*manufacture*" means any kind of working or processing, including assemblage or specific operations;

(j) "*material*" means any ingredient, component, part or other product that is used in the production of another product;

(k) "*non-originating product*" or "*non-originating material*" means a product or material which does not qualify as originating under this Annex;

(l) "*originating product*" or "*originating material*" means a product or material that qualifies as originating under this Annex;

(m) "*Party*" means Iceland, Norway, Switzerland and Colombia. Due to the customs union between Switzerland and Liechtenstein, products originating in Liechtenstein are considered as originating in Switzerland;

(n) "*product*" means the result of production and includes any material used in the production of another product;

(o) *"production"* means growing, raising, mining, extracting, harvesting, fishing, trapping, hunting, or manufacturing of a product;

(p) *"value of materials"* means the customs value at the time of importation of the non-originating materials used, or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in a Party.

TITLE II

DEFINITION OF THE CONCEPT "ORIGINATING PRODUCTS"

Article 2

Origin Criteria

1. Except as otherwise provided in this Annex, the following products shall be considered as originating in Colombia or in an EFTA State:

(a) products wholly obtained in a Party within the meaning of Article 4;

(b) products obtained in a Party incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in the Party concerned within the meaning of Article 5; or

(c) products obtained in a Party exclusively from materials that qualify as originating pursuant to this Annex.

2. In addition, the products shall meet the other applicable provisions of this Annex.

Article 3

Accumulation of Origin

1. Originating products referred to in Article 2 shall be considered as originating in the Party where operations beyond those referred to in Article 6 have been carried out. It shall not be necessary for such originating products to undergo sufficient working or processing as referred to in Article 5.

2. Products originating in another Party within the meaning of this Annex, which are exported from one Party to another, shall retain their origin when exported in the same state or without having undergone in the exporting Party working or processing going beyond that referred to in Article 6.

3. For the purposes of paragraph 2, where materials originating in two or more of the Parties are used and those materials have undergone working or processing in the exporting Party not going beyond that referred to in Article 6, the origin is determined by the material with the highest customs value or, if this is not known and cannot be ascertained, with the first highest ascertainable price paid for that material in that Party.

4. Paragraphs 1 to 3 do not apply to products covered by Chapter 3 of this Agreement, which are exported from one EFTA State to another.

5. The Parties shall, no later than four years after the date of entry into force of this Agreement, review this Article, particularly taking into account new concepts, such as cross-accumulation or pan-free-trade-agreement-accumulation.

Article 4

Wholly Obtained Products

For the purposes of subparagraph 1(a) of Article 2, the following shall be considered as wholly obtained in a Party:

(a) mineral products and other nonliving natural resources extracted from their soil or from their seabed;

(b) vegetable products harvested or gathered there;

(c) live animals born and raised there;

(d) products obtained from live animals there;

(e) products obtained by hunting, trapping, fishing or aquaculture conducted there;

(f) products of sea fishing and other products taken from outside the geographical scope of this Agreement, as defined in Article 1.3 of this Agreement (Geographical Scope), by a vessel flying the flag of a Party;

(g) products manufactured on board a factory ship flying the flag of a Party, exclusively from products referred to in subparagraph (f);

(h) products extracted by a Party from the seabed or beneath the seabed outside the Geographical Scope of this Agreement, as defined in Article 1.3 of this Agreement (Geographical Scope), provided that the Party has sovereign rights to exploit such seabed;

(i) waste and scrap resulting from consumption or manufacturing operations conducted there, fit only for recovery of raw materials;

(j) products manufactured there exclusively from products specified in subparagraphs (a) to (i).

Article 5

Sufficiently Worked or Processed Products

1. For the purposes of subparagraph 1(b) of Article 2, products obtained in a Party incorporating materials which have not been wholly obtained there are considered to be sufficiently worked or processed when the conditions set out in Appendix 2 of this Annex are fulfilled.

2. The conditions referred to above indicate the working or processing which shall be carried out on non-originating materials used in manufacturing and apply only in relation to such materials. Accordingly, it follows that if a product which has acquired originating status, regardless of whether this product has been manufactured in the same factory or in another factory in a Party, by fulfilling the conditions set out in Appendix 2, is used as material in the manufacture of another product, the conditions applicable to such other product do not apply to the product that is used as material, and therefore no account shall be taken of any non-originating materials incorporated into such a product used as a material in the manufacture of another product.

3. Notwithstanding paragraph 1 and without prejudice to paragraphs 4 and 5, non-originating materials which, according to the conditions set out in Appendix 2, should not be used in the manufacture of a product may nevertheless be used, provided that:

(a) for products except for those falling within chapters 50 to 63, their total value does not exceed 10 per cent of the ex-works price of the product;

(b) for products falling within chapters 50 to 63, their total weight of fibres or yarns used does not exceed 10 per cent of the total weight of the product;

(c) any of the percentages given in Appendix 2 for the maximum value of non-originating materials are not exceeded through the application of this paragraph.

4. Subparagraph 3(a) does not apply to non-originating materials used in the production of products falling within chapters 1 to 24, unless they are classified in a different subheading from that of the product for which the origin is being determined under this Article.

5. Subparagraphs 3(a) and paragraph 4 shall not apply to non-originating materials classified under chapter 15 that is used in the production of products classified under headings 15.01 – 15.08 or 15.11 – 15.15.

6. For the purpose of fulfilling the conditions set out in Appendix 2, the processes may be carried out by one or more producers within one Party.

7. Paragraphs 1 to 6 shall apply without prejudice to Article 6.

Article 6

Minimal Operations

1. Products shall not be considered as originating, whether or not the requirements of Article 5 are satisfied, if they have only undergone the following operations:

(a) operations to ensure the preservation of products in good condition during transport or storage (ventilation, spreading out, drying, freezing, chilling, placing in salt, sulphur dioxide or other aqueous solutions, removal of damaged parts, and like operations);

(b) breaking-up or assemblage of packages;

(c) soaking, washing, cleaning; including removal of dust, oxide, oil, paint or other coverings;

(d) ironing or pressing of textiles;

(e) simple painting, polishing operations, application of oil, or protective coatings;

(f) husking, partial or total bleaching, polishing, or glazing of cereals and rice;

(g) operations to colour sugar or form sugar lumps;

(h) peeling, poding, squeezing, stoning or shelling, of fruits, nuts and vegetables;

(i) sharpening, simple grinding or simple cutting;

(j) sifting, screening, sieving, filtering, sorting, classifying, grading, matching; (including the making-up of sets of articles);

(k) simple placing in bottles, cans, flasks, bags, cases, boxes, and all other simple packaging operations, including packaging for retail sale;

(l) affixing or printing marks, labels, logos and other distinguishing signs on products or their packaging;

(m) simple mixing of products, whether or not of different kinds, including dilution in water or in any other aqueous substance that does not materially alter the characteristics of the products;

(n) disassembly of products into parts;

(o) slaughter of animals; or

(p) a combination of two or more operations specified in subparagraphs (a) to (o).

2. For the purposes of paragraph 1,

(a) “simple” means activities which need neither special skills nor machines, apparatus or equipment especially produced or installed to carry out the activity; and

(b) “simple mixing” means activities which need neither special skills nor machines, apparatus or equipment especially produced or installed for carrying out the activity. However, simple mixing does not include chemical reaction. Chemical reaction means a process (including a biochemical process) which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule.

3. All operations carried out in a Party on a given product shall be taken into account when determining whether the working or processing undergone by that product is to be regarded as minimal operations as referred to in paragraph 1.

Article 7

Unit of Qualification

1. The unit of qualification for the application of the provisions of this Annex shall be the particular product which is considered as the basic unit when determining classification using the nomenclature of the Harmonized System.

2. Pursuant to paragraph 1, it follows that:

(a) when a product composed of a group or assembly of articles is classified under a single heading, the whole constitutes the unit of qualification; or

(b) when a consignment consists of a number of identical products classified under the same heading, each product shall be taken individually into account when applying the provisions of this Annex.

3. For the purposes of subparagraph 2(b), "identical products" is defined in accordance with the WTO *Agreement on Customs Valuation*.

Article 8

Packaging Materials and Containers

1. Where, under General Interpretative Rule 5 of the Harmonized System, packaging is included with the products for classification purposes, it shall be included for the purposes of determining origin, except for products that qualify as wholly obtained.

2. Packing materials and containers for shipment shall be disregarded in determining whether products are originating.

Article 9

Accessories, Spare Parts and Tools

Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as one with the piece of equipment, machine, apparatus or vehicle in question.

Article 10

Sets

Sets, referred to in General Interpretative Rule 3 of the Harmonized System, shall be regarded as originating when all component products are originating. However, when a set is composed of originating and non-originating products, the set as a whole shall be regarded as originating, provided that the value of the non-originating products does not exceed 15 per cent of the ex-works price of the set.

Article 11

Indirect Materials

In order to determine whether a product originates, it shall not be necessary to determine the origin of the following which might be used in its manufacture:

(a) fuel and energy;

(b) plant and equipment, including products to be used for their maintenance;

(c) machines and tools; and

(d) any other product which does not enter into and which is not intended to enter into the final composition of the product.

Article 12

Fungible Materials

1. For the purposes of this Article, fungible materials shall be understood to be materials that are interchangeable for commercial purposes and whose properties are essentially identical.

2. For the purposes of determining whether a product originates, where originating and non-originating fungible materials are used in production, the determination of whether the materials used are originating need not be made through physical separation and identification of any specific fungible material, but may be determined on the basis of an inventory management system.

3. The accounting method shall be recorded, applied and maintained in accordance with generally accepted accounting principles applicable in the Party in which the product is manufactured. The method chosen must:

(a) permit a clear distinction to be made between originating and non-originating materials acquired or kept in stock; and

(b) guarantee that no more products receive originating status than would be the case if the materials had been physically segregated.

4. A producer using an inventory management system pursuant to this Article shall comply with the provisions of the system used and keep records of the operation of the system that are necessary for the customs administrations of the Parties to verify such compliance.

5. A Party may require that the application of an inventory management system as provided for in this Article be subject to prior authorisation.

TITLE III

TERRITORIAL REQUIREMENTS

Article 13

Principle of Territoriality

1. Except as provided for in Article 3, the conditions for acquiring originating status set out in Title II must be fulfilled without interruption in Colombia or in an EFTA State.

2. Except as provided for in Article 3, where originating products exported from Colombia or from an EFTA State to another country return, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the competent authorities that:

(a) the returning products are the same as those exported; and

(b) they have not undergone any operation beyond that necessary to preserve them in good condition while in that country or while being exported.

Article 14

Direct Transport

1. The preferential treatment provided for under this Agreement applies only to products, satisfying the requirements of this Annex, which are transported directly between the Parties. However, products may be transported through territories of non-Parties provided that they do not undergo operations other than unloading, reloading, splitting-up of consignments or any operation designed to preserve them in good condition. The products shall remain under customs control in the country of transit.

2. The importer shall upon request supply appropriate evidence to the customs authorities of the importing Party that the conditions set out in paragraph 1 have been fulfilled. Such evidence may include:

(a) transportation documents, such as airway bills, bills of lading, or multimodal or combined transportation documents, that certify transport from the origin country to the importing country;

(b) customs documents that authorise the trans-shipment or temporary storage; or

(c) any other supporting documentary proof.

3. For the application of paragraph 1, originating products may be transported by pipeline across territories other than those of Colombia or an EFTA State.

TITLE IV

PROOF OF ORIGIN

Article 15

General Requirements

1. Products originating in a Party shall, on importation into a Party, benefit from the preferential treatment under this Agreement upon submission of one of the following proofs of origin:

(a) a movement certificate EUR.1, specimens of which appear in Appendix 3a; or

(b) in the cases specified in paragraph 1 of Article 20, a declaration, subsequently referred to as the "origin declaration", the text of which appears in Appendix 3b, given by the exporter on an invoice, a delivery note or any other commercial document which describes the products concerned in sufficient detail to enable them to be identified.

2. Notwithstanding paragraph 1, originating products within the meaning of this Annex shall, in the cases specified in Article 24, on importation benefit from the preferential treatment under this Agreement without it being necessary to submit any of the documents referred in paragraph 1.

Article 16

Procedure for the Issuance of Movement Certificates EUR.1

1. A movement certificate EUR.1 shall be issued by the competent authority of the exporting Party on application having been made in writing by the exporter or, under the exporter's responsibility, by his authorised representative.

2. For this purpose, the exporter or his authorised representative shall complete both the movement certificate EUR.1 and the application form, specimens of which appear in Appendix 3a. The movement certificate EUR.1 shall be completed in English or Spanish.

3. The exporter applying for the issuance of a movement certificate EUR.1 shall be prepared to submit at any time, at the request of the competent authority of the exporting Party issuing the movement certificate EUR.1, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Annex.

4. A movement certificate EUR.1 shall be issued by the competent authority of the exporting Party if the products concerned can be considered as products originating in a Party and fulfil the other requirements of this Annex.

5. The issuing competent authority shall take any steps necessary to verify the originating status of the products and the fulfilment of the other requirements of this Annex. For this purpose, it shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate. The issuing competent authority shall also ensure that the forms referred to in paragraph 2 are duly completed. In particular, it shall check whether the space reserved for the description of the products has been completed in such a manner as to exclude any possibility of fraudulent additions. The marks and numbers, and the number and the kind of packages shall be indicated in Box 8 of the movement certificate EUR.1.

6. The date of issuance of the movement certificate EUR.1 shall be indicated in Box 11 of the certificate.

7. A movement certificate EUR.1 shall be issued by the competent authority of the exporting Party and made available to the exporter as soon as actual exportation has been effected or ensured.

Article 17

Movement Certificates EUR.1 Issued Retrospectively

1. Notwithstanding paragraph 7 of Article 16, a movement certificate EUR.1 may exceptionally be issued after exportation of the products to which it relates if:

(a) it was not issued at the time of exportation because of errors or involuntary omissions or special circumstances; or

(b) it is demonstrated to the satisfaction of the competent authority that a movement certificate EUR.1 was issued but was not accepted at importation for technical reasons.

2. For the implementation of paragraph 1, the exporter shall indicate in the application the place and date of exportation of the products to which the movement certificate EUR.1 relates, and state the reasons for the request.

3. The competent authority may issue a movement certificate EUR.1 retrospectively only after verifying that the information supplied in the exporter's application agrees with that in the corresponding file.

4. Movement certificates EUR.1 issued retrospectively must be endorsed with the phrase "ISSUED RETROSPECTIVELY" or "EXPEDIDO A POSTERIORI".

5. The endorsement referred to in paragraph 4 shall be inserted in Box 7 of the movement certificate EUR.1.

Article 18

Issuance of Duplicate Movement Certificates EUR.1

1. In the event of theft, loss or destruction of a movement certificate EUR.1, the exporter by stating the reason for his request may apply to the competent authority which issued it for a duplicate completed on the basis of the export documents in their possession.

2. The duplicate issued in this way shall be endorsed with the word "DUPLICATE" or "DUPLICADO".

3. The endorsement referred to in paragraph 2 shall be inserted in Box 7 of the duplicate movement certificate EUR.1.

4. The duplicate, which shall bear the date of issuance of the original movement certificate EUR.1, shall take effect as from that date.

Article 19

Issuance of Movement Certificates EUR.1 on the Basis of a Proof of Origin Previously Issued or Completed

When originating products are placed under the control of a customs office in an EFTA State or in Colombia, it shall be possible to replace the original proof of origin by one or more movement certificates EUR.1 for the purpose of sending all or some of

these products to another Party or elsewhere within the importing Party concerned. The replacement movement certificates EUR.1 shall be issued, in accordance with the legislation of the importing Party, by the competent authority in coordination with the customs authority under whose control the products are placed.

Article 20

Conditions for Completing an Origin Declaration

1. An origin declaration referred to in subparagraph 1(b) of Article 15 may be made out:

   (a) by an approved exporter within the meaning of Article 21; or

   (b) by any exporter for any consignment consisting of one or more packages containing originating products, the total value of which does not exceed any of the following amounts:

      (i) 6 000 euro (EUR);

      (ii) 8 500 US dollar (USD).

      Where the products are invoiced in a currency other than those mentioned in this subparagraph, the amount equivalent to the amount expressed in the national currency of the importing Party shall be applied in accordance with the domestic legislation of that Party.

2. An origin declaration may be made out if the products concerned can be considered as products originating in an EFTA State or in Colombia and fulfil the other requirements of this Annex.

3. An exporter making out an origin declaration shall be prepared to submit at any time, at the request of the competent authority of the exporting Party, all appropriate documents proving the originating status of the products concerned as well as the fulfilment of the other requirements of this Annex.

4. An origin declaration shall be made out by the exporter by typing, stamping or printing on the invoice, the delivery note or another commercial document, the declaration, the text of which appears in Appendix 3b, in English or Spanish. If the declaration is handwritten, it shall be written in ink in printed characters.

5. Origin declarations shall bear the original signature of the exporter in manuscript. However, an approved exporter within the meaning of Article 21 shall not be required to sign such declarations, provided that he gives the competent authority of the exporting Party a written undertaking that he accepts full responsibility for any origin declaration which identifies him as if it had been signed in manuscript by him.

6. An origin declaration may be made out by the exporter when the products to which it relates are exported, or after exportation.

7. An exporter that has completed an origin declaration and that becomes aware that the origin declaration contains incorrect information shall immediately notify the importer and the competent authority of the exporting Party in writing of any change affecting the originating status of each product to which the origin declaration is applicable.

Article 21

Approved Exporter

1. The competent authority of the exporting Party may authorise any exporter, hereafter referred to as "approved exporter", who makes frequent shipments of originating products under this Agreement to make out origin declarations irrespective of the value of the products concerned. An exporter seeking such authorisation shall offer to the satisfaction of the competent authority all guarantees necessary to verify the originating status of the products as well as the fulfilment of the other requirements of this Annex.

2. The competent authority may grant the status of approved exporter subject to any conditions which it considers appropriate.

3. The competent authority shall grant to the approved exporter an authorisation number which shall appear on the origin declaration.

4. The competent authority shall monitor the use of the authorisation by the approved exporter.

5. The competent authority may withdraw the authorisation at any time. It shall do so where the approved exporter no longer offers the guarantees referred to in paragraph 1, no longer fulfil the conditions referred to in paragraph 2 or otherwise makes incorrect use of the authorisation.

Article 22

Importation Requirements

1. Each Party shall grant preferential tariff treatment in accordance with this Agreement to originating products imported from another Party, on the basis of a proof of origin as referred to in Article15.

2. In order to obtain preferential tariff treatment, the importer shall, in accordance with the procedures applicable in the importing Party, request preferential tariff treatment at the time of importation of an originating product.

3. In the case that the importer at the time of importation does not have in his possession a proof of origin, the importer of the product may, in accordance with the

legislation of the importing Party, present the original proof of origin and if required such other documentation relating to the importation of the product, at a later stage.

4. Notwithstanding paragraph 1, originating products within the meaning of this Annex shall, in the cases specified in Article 24, on importation benefit from the preferential tariff treatment under this Agreement without it being necessary to submit a document as referred in paragraph 1.

5. A proof of origin shall be valid for 12 months from the date of issuance in the exporting Party, and shall be submitted within such period to the customs authority of the importing Party. The expiration of this period shall be suspended as long as the products remain under customs control of the importing Party.

6. A proof of origin which is submitted to the customs authority of the importing Party after the final date for presentation specified in paragraph 4 may be accepted for the purpose of applying for preferential tariff treatment where the failure to submit such a document by the final date set is due to exceptional circumstances. In other cases of belated presentation, the customs authority of the importing Party may accept a proof of origin where the products have been submitted before such final date.

7. A proof of origin shall be submitted to the customs authority of the importing Party in accordance with the procedures applicable in that Party. Such authority may require a translation of the document on which the proof of origin is made out and may also require the import declaration to be accompanied by a statement from the importer to the effect that the products meet the conditions of this Annex.

Article 23

Importation by Instalments

Where, at the request of the importer and on the conditions laid down by the customs authorities of the importing Party, dismantled or non-assembled products within the meaning of General Rule 2(a) of the Harmonized System falling within Sections XVI and XVII or headings 73.08 and 94.06 are imported by instalments, a single proof of origin for such products shall be submitted to the customs authority upon importation of the first instalment.

Article 24

Exemptions from Proofs of Origin

A Party may, in accordance with its domestic legislation, grant preferential tariff treatment to low value shipments from private persons to private persons of originating products from another Party and to originating products forming part of the personal luggage of a traveller coming from another Party by waiving the requirements to present a proof of origin.

Article 25

Supporting Documents

The documents referred to in paragraph 3 of Article 16 and paragraph 3 of Article 20 used for the purpose of proving that products covered by a proof of origin can be considered as products originating in an EFTA State or in Colombia and fulfil the other requirements of this Annex may consist of *inter alia* the following:

(a) direct evidence of the processes carried out by the exporter or supplier to obtain the products concerned, contained for example in his accounts or internal bookkeeping;

(b) documents proving the originating status of materials used, issued or made out in a Party where these documents are used, as provided for in their domestic legislation;

(c) documents proving the working or processing of materials in a Party, issued or made out in a Party where these documents are used, as provided for in their domestic legislation; or

(d) movement certificates EUR.1 or origin declarations proving the originating status of materials used, completed in a Party.

Article 26

Preservation of Proofs of Origin and Supporting Documents

1. The exporter applying for the issuance of a movement certificate EUR.1 shall keep for at least three years from the date of issuance of the proof of origin the documents referred to in paragraph 3 of Article 16.

2. The competent authority of the exporting Party issuing a movement certificate EUR.1 shall keep for at least three years from the date of issuance of the proof of origin the application form referred to in paragraph 2 of Article 16.

3. The competent authority of the importing Party shall ensure that the proofs of origin on the basis of which the preferential tariff treatment was claimed are kept and remain available to it for at least three years from the date of importation.

4. The exporter completing an origin declaration shall keep for at least three years from the date of issuance of the proof of origin, a copy of the origin declaration in question as well as the documents referred to in paragraph 3 of Article 20.

5. The records to be kept in accordance with paragraph 4 shall include electronic records.

Article 27

Discrepancies and Formal Errors

1. The discovery of slight discrepancies between the statements made in the proof of origin and those made in the documents submitted to the customs office for the purpose of carrying out the formalities for importing the products shall not *ipso facto* render the proof of origin null and void if it is duly established that such document does correspond to the products submitted.

2. Obvious formal errors such as typing errors in a proof of origin should not cause this document to be rejected if these errors are not such as to create doubts concerning the correctness of the statements made in this document.

TITLE V

ARRANGEMENTS FOR ADMINISTRATIVE CO-OPERATION

Article 28

Notifications

The competent authorities of the Parties shall provide each other, through the EFTA Secretariat, with specimen impressions of stamps used for the issuance of movement certificates EUR.1, with information on the composition of the authorisation number for approved exporters, with a specimen of an original movement certificate EUR.1 and with the addresses of the competent authorities of Colombia and of the EFTA States responsible for verifying movement certificates EUR.1 and origin declarations. Any changes shall be notified by the Parties well in advance, indicating the date when these changes will come into effect.

Article 29

Verification of Proofs of Origin

1. In order to ensure the proper application of this Annex, the Parties shall assist each other, through the respective competent authorities of the Parties, to verify the authenticity of the proofs of origin and the correctness of the information given in these documents.

2. Subsequent verifications of proofs of origin shall be carried out whenever the competent authority of the importing Party wants to verify the authenticity of such documents, the originating status of the products concerned or the fulfilment of the other requirements of this Annex.

3. For the purpose of implementing the provisions of paragraph 1, the competent authority of the importing Party shall return the proof of origin, or a copy of this document, to the competent authority of the exporting Party, as the case may be, giving the reasons for the inquiry. Any documents and information obtained suggesting that the information given on the proof of origin is incorrect shall be forwarded in support of the request for verification.

4. The verification shall be carried out by the competent authority of the exporting Party. For this purpose, they shall have the right to request any evidence and to carry out any inspection of the exporter's accounts or any other control considered appropriate.

5. The competent authority of the importing Party may decide to suspend the granting of preferential tariff treatment to the products covered by the proof of origin concerned while awaiting the results of the verification. The release of the products shall be offered to the importer subject to any precautionary measures judged necessary.

6. The competent authority requesting the verification shall be informed of the results of this verification as soon as possible. These results shall indicate clearly whether the documents are authentic and whether the products concerned can be considered as products originating in an EFTA State or in Colombia and fulfil the other requirements of this Annex.

7. If there is no reply within 12 months of the date of the verification request or if the reply does not contain sufficient information to be able to determine the authenticity of the document in question or the origin of the products, the requesting competent authority shall be entitled, save in exceptional circumstances, to refuse to grant preferential tariff treatment.

Article 30

Dispute Settlement

Disputes between the Parties arising in relation to the verification procedures pursuant to Article 29, which cannot be settled between the competent authorities responsible for carrying out such procedures, or which raise a question as to the interpretation of this Annex, shall be referred to the Sub-Committee on Rules of Origin, Customs Procedures and Trade Facilitation. The Sub-Committee shall present a report to the Joint Committee containing its conclusions.

Article 31

Confidentiality

All information which is by nature confidential or which is provided on a confidential basis shall be covered by the obligation of professional secrecy, in accordance with the respective legislation of each Party. It shall not be disclosed by the

Parties' authorities without the express permission of the person or authority providing it.

Article 32

Penalties

Each Party shall provide for penalties to be imposed on any person who draws up or causes to be drawn up, a document which contains incorrect information for the purpose of obtaining preferential tariff treatment.

Article 33

Free Zones

1. An exporter in a Party shall ensure that products traded under cover of a proof of origin which in the course of transport use a free zone situated in a Party, are not substituted by other products and do not undergo handling other than normal operations designed to prevent their deterioration.

2. Notwithstanding paragraph 1, when products are imported into a free zone under cover of a proof of origin and undergo treatment or processing, the exporter concerned may complete a new proof of origin if the treatment or processing undergone is in conformity with the provisions of this Annex.

TITLE VI

FINAL PROVISIONS

Article 34

Sub-Committee on Rules of Origin, Customs Procedures and Trade Facilitation

1. The Sub-Committee on Rules of Origin, Customs Procedures and Trade Facilitation shall exchange information, review developments, prepare and co-ordinate positions, prepare technical amendments to the rules of origin and assist the Joint Committee regarding:

(a) rules of origin and administrative co-operation as set out in this Annex; and

(b) other matters that are referred to the Sub-Committee by the Joint Committee.

2. The Sub-Committee shall endeavour to resolve, as soon as possible, any dispute arising in relation to verification procedures pursuant to Article 29.

Article 35

Products in Transit or Storage

The provisions of this Agreement may be applied to products which comply with the provisions of this Annex and which on the date of entry into force of this Agreement are either in transit or are in a Party or, in temporary storage in bonded warehouse under customs control or in free zones, subject to the submission to the customs authority of the importing Party, within 4 months of that date, of a proof of origin completed retrospectively by the exporter concerned after the entry into the force of this Agreement together with the documents showing that the products have been transported directly.

_____