ANNEX I

REFERRED TO IN ARTICLE 2.6

RULES OF ORIGIN AND

ADMINISTRATIVE COOPERATION

ANNEX I

REFERRED TO IN ARTICLE 2.6 (RULES OF ORIGIN AND METHODS OF ADMINISTRATIVE COOPERATION)

RULES OF ORIGIN AND ADMINISTRATIVE COOPERATION

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SECTION I

GENERAL PROVISIONS

ARTICLE 1

Definitions

For the purposes of this Annex:

(a) "manufacture" means working or processing, including assembly or specific operations;

(b) "material" means any ingredient, raw material, component, part or any other substance, used in the manufacture of the product;

(c) "customs value" means the value as 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);

(d) "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;

(e) "ex-works price" means the price paid for a product to the manufacturer in the Party where the last working or processing was carried out, in accordance with the international commercial terms "incoterms", excluding internal taxes which may be repaid when the product is exported;

(f) "Harmonized System" or "HS" means the Harmonized Commodity Description and Coding System;

(g) "chapter", "heading" and "subheading" means two-digit codes (chapter), four-digit codes (heading) or six-digit codes (subheading) used in the nomenclature of the Harmonized System, with the changes pursuant to the recommendation of the World Customs Organization (WCO);

(h) "originating good" or "originating material" means a good or material that qualifies as originating under this Annex;

(i) "competent authorities" means the governmental authority or authorities designated by a Party which are responsible for the implementation of matters within the scope of this Annex and notified to all other Parties;

(j) "good(s)" means any merchandise, product, article or material. For the purposes of this Annex the term "good(s)" and "product(s)" can be used interchangeably;

(k) “product” means the result of manufacturing and includes any material used in the production of another product.

SECTION II

CONCEPT OF "ORIGINATING GOODS"

ARTICLE 2

General Requirements for Originating Goods

1. For the purposes of the Agreement, a good shall be considered as originating in a Party if:

(a) it has been wholly obtained or produced in that Party, in accordance with Article 3 (Wholly Obtained or Produced Goods);

(b) the non-originating materials used in the working or processing of that product have undergone sufficient working or processing in a Party, in accordance with Article 4 (Sufficient Working or Processing);

(c) it has been produced in a Party exclusively from materials originating in one or more Parties in accordance with Article 7 (Accumulation of Origin); or

(d) it has been produced in a Party exclusively from materials as specified in subparagraphs (a) to (c); and

(e) it meets all other applicable requirements of this Annex.

2. For the purposes of this Annex,

(a) the geographical scope shall, unless otherwise specified, include the customs territories of Malaysia, Iceland, Norway and Switzerland;

(b) in accordance with the Customs Treaty of 1923 between Switzerland and Liechtenstein, Liechtenstein shall be represented by Switzerland in matters covered therein, and a product originating in Liechtenstein shall be considered originating in Switzerland.

ARTICLE 3

Wholly Obtained or Produced Goods

The following goods shall be considered as wholly obtained or produced in a Party:

(a) minerals and other naturally occurring substances, not included in subparagraphs (b) and (c), extracted or taken from its soil, water, seabed or beneath the seabed;

(b) vegetable and plant products grown, cultivated or harvested there;

(c) live animals born and raised there;

(d) goods obtained from live animals raised there;

(e) products from slaughtered animals born and raised there;

(f) goods obtained by hunting, trapping, fishing, gathering, capturing or aquaculture[1] conducted there;

(g) products obtained there by using cell cultures;[2]

(h) products falling within Chapters 29 to 39 obtained there by fermentation;[3]

(i) fish, shellfish and other marine life taken from the sea, seabed or subsoil outside the territories of the Parties and, in accordance with international law, outside the territorial sea of non-Parties by vessels registered, listed, or recorded in a Party and entitled to fly the flag of that Party;

(j) goods obtained or produced on board factory ships registered in a Party and flying its flag from the goods referred to in subparagraph (i);

(k) goods taken from the waters, seabed or beneath the seabed outside the territorial waters of such Party, provided that Party has the rights to exploit such waters, seabed and beneath the seabed in accordance with international law;

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

(m) used goods collected there provided that such goods are fit only for the recovery of raw materials; and

(n) goods produced there entirely from those referred to in subparagraphs (a) to (m) or from their derivatives.

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[1] "Aquaculture" means the farming of aquatic organisms including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from seedstock such as eggs, fry, fingerlings and larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding, or protection from predators.

[2] "Cell culture" means the cultivation of human, animal and plant cells under controlled conditions (such as defined temperatures, growth medium, gas mixture, pH) outside a living organism.

[3] "Fermentation" means a biotechnological process in which human, animal, plant cells, bacteria, yeasts, fungi or enzymes are used to produce products falling within Chapters 29 to 39.

ARTICLE 4

Sufficient Working or Processing

1. Products which are not wholly obtained are considered to be sufficiently worked or processed when the conditions set out in the list in Appendix 1 (Product-Specific Rules) are fulfilled.

2. For the purposes of paragraph 1, the operations provided for in Article 6 (Insufficient Working or Processing) are in any case considered as insufficient to obtain originating status.

3. Where Appendix 1 (Product-Specific Rules) refers to a percentage of the value of non-originating material (VNM), it shall mean the maximum percentage of the VNM allowed in relation to the ex-works price of a product. That percentage shall be calculated as follows:

$$\text{VNM\%} = \frac{\text{VNM}}{\text{ex-works price}} \times 100$$

4. The conditions referred to in paragraph 1 indicate the working or processing which must be carried out on non-originating materials used in manufacturing and concern only such materials. It follows that if a product, which has acquired originating status in accordance with paragraph 1 in a Party, is further processed in that Party and used as material in the manufacture of another product, no account shall be taken of the non-originating components of that material.

5. Where a rule set out in Appendix 1 (Product-Specific Rules) is based on compliance with a sufficient processing threshold or a maximum content of non-originating materials, the value of non-originating materials may be calculated on an average basis over a period of one year in order to take into account the fluctuations in costs or currency rates, subject to the domestic requirements of the exporting Party.

ARTICLE 5

De Minimis

1. Notwithstanding paragraph 1 of Article 4 (Sufficient Working or Processing), non-originating materials do not have to undergo the required change in tariff classification as set out in Appendix 1 (Product-Specific Rules) provided that their total value does not exceed 10 % of the ex-works price.

2. Paragraph 1 shall not apply to goods which are wholly obtained in a Party in accordance with Article 3 (Wholly Obtained or Produced Goods). However, if the relevant product-specific rule of the Appendix provides for a rule where certain materials must be wholly obtained, the tolerance of paragraph 1 shall apply.

ARTICLE 6

Insufficient Working or Processing

1. Notwithstanding Article 4 (Sufficient Working or Processing) the following operations undertaken by themselves or in combination shall be considered as insufficient working or processing and shall not confer originating status:

(a) preserving operations to ensure that a product remains in good condition during transport and storage;

(b) freezing or thawing;

(c) packaging and re-packaging;

(d) washing, cleaning, removal of dust, oxide, oil, paint or other coverings;

(e) ironing or pressing of textiles or textile products;

(f) simple painting and polishing;

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

(h) operations to colour or flavour sugar or form sugar lumps; partial or total milling of crystal sugar;

(i) peeling, shelling and removal of stones from fruits, nuts and vegetables;

(j) sharpening, slitting, simple coiling and uncoiling, bending, simple grinding or simple cutting;

(k) sifting, screening, sorting, classifying, grading, matching;

(l) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

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

(n) simple mixing of products, whether or not of different kinds;

(o) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts; or

(p) slaughter of animals.

2. For the purposes of paragraph 1, operations shall be considered "simple" when neither special skills nor machines, apparatus or tools especially produced or installed for those operations are required for their performance.

3. All operations carried out either in an EFTA State or in Malaysia on a given product shall be considered together when determining whether the working or processing undergone by that product is to be regarded as insufficient within the meaning of paragraph 1.

ARTICLE 7

Accumulation of Origin

1. A product originating in a Party, which is used as material in the manufacture of a product in another Party, shall be considered as originating in the Party where the last operations beyond those referred to in paragraph 1 of Article 6 (Insufficient Working or Processing) have been carried out. Such materials do not have to undergo sufficient working or processing.

2. A product originating in a Party, which is exported from one Party to another and does not undergo working or processing beyond those referred to in paragraph 1 of Article 6 (Insufficient Working or Processing) shall retain its origin.

3. Where materials originating in two or more Parties are used in the manufacture of a product and these materials have not undergone any working or processing beyond the operations referred to in Article 6 (Insufficient Working or Processing), the origin of the product is determined by the material with the highest customs value, or if this cannot be ascertained, with the highest first ascertainable price paid for that material in that Party.

4. Notwithstanding paragraph 1, non-agricultural goods as set out in Annex II (Product Coverage of Non-Agricultural Goods) imported from ASEAN Member States or the European Union, the People's Republic of China or the Republic of Türkiye, which are used as materials in the manufacture of a product in an EFTA State or Malaysia, shall be considered as originating in the Party where the last operation has been carried out, provided that:

(a) preferential trade agreements in accordance with Article XXIV of GATT 1994 between the EFTA State concerned, Malaysia and that specific non-Party, which foresee certification of origin and administrative cooperation procedures, including procedures for verification of the originating status, are in force;

(b) these materials qualify as originating materials under the preferential trade agreement between that specific non-Party and the Party where the last operation has been carried out;

(c) the working or processing carried out in the EFTA State concerned or Malaysia goes beyond those referred to in paragraph 1 of Article 6 (Insufficient Working or Processing). Such materials do not have to undergo sufficient working or processing.

ARTICLE 8

Unit of Qualification and Treatment of Packaging Materials

For the purpose of determining the originating status, the basic unit of qualification of a product or material shall be determined in accordance with the HS. It follows that if:

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

(b) a consignment consists of a number of identical products classified under the same heading of the HS, each product must be taken individually;

(c) a good is wholly obtained or subject to a change in tariff classification or a specific manufacturing or processing operation set out in Appendix 1 (Product-Specific Rules), packaging materials and containers for retail sale, which are classified with the good pursuant to General Rule 5 of the General Rules for the Interpretation of the HS, shall be disregarded; and

(d) when a good is subject to a VNM content requirement set out in Appendix 1 (Product-Specific Rules), the value of the packaging materials and containers in which the good is packaged for retail sale shall be taken into account as originating materials or non-originating materials of the good, as the case may be, in calculating the VNM content of the good.

ARTICLE 9

Accessories, Spare Parts and Tools

Accessories, spare parts and tools, which form a part of a product's standard accessories, spare parts or tools shall be considered as originating if the product originates and shall be disregarded in determining whether all the non-originating materials undergo the applicable change of tariff classification set out in Appendix 1 (Product-Specific Rules), provided that:

(a) the accessories, spare parts or tools are not invoiced separately from the product;

(b) the quantities and value of the accessories, spare parts or tools are customary for the product; and

(c) if the rule of Appendix 1 (Product-Specific Rules) applicable to the product contains a percentage for the maximum value of non-originating materials, the value of any non-originating accessories, spare parts or tools shall be included in calculating the value of non-originating materials.

ARTICLE 10

Neutral Elements

In order to determine whether a good shall be considered as originating, it shall not be necessary to determine the origin of the following which might be used in its production and not incorporated into the good:

(a) fuel and energy;

(b) tools, dies and moulds;

(c) plant and equipment;

(d) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;

(e) gloves, glasses, footwear, clothing, safety equipment and supplies;

(f) equipment, devices and supplies used for testing or inspecting the good;

(g) catalyst and solvent; or

(h) any other goods which are not incorporated into the good but of which use in the production of the good can reasonably be demonstrated to be a part of that production.

ARTICLE 11

Accounting Segregation

1. If originating and non-originating fungible materials are used in the working or processing of a product, the determination of whether the materials used are originating may be determined on the basis of a recognised inventory management system. A Party may require that the application of such an inventory management system, be subject to prior authorisation by the relevant authority.

2. For the purposes of paragraph 1, "fungible materials" means materials that are identical or interchangeable as a result of being of the same kind and commercial quality, possessing the same technical and physical characteristics, and which once they are incorporated into the finished product cannot be distinguished from one another for origin purposes by virtue of any markings or mere visual examination.

3. The inventory management system shall be based on generally accepted accounting principles applicable in the Party in which the product is manufactured and ensure that no more final products receive originating status than would have been the case if the materials had been physically segregated.

4. A producer using an inventory management system shall keep records of the operation of the system that are necessary for the competent authorities of the Party concerned to verify compliance with the provisions of this Annex.

5. The authorisation to use accounting segregation may be withdrawn by the competent authorities at any time if the producer makes improper use of it.

SECTION III

TERRITORIAL REQUIREMENTS

ARTICLE 12

Principle of Territoriality

1. Except as provided for in Article 7 (Accumulation of Origin), the conditions set out in Section II (Concept of "Originating Products") relating to the acquisition of originating status must be fulfilled without interruption in a Party.

2. If originating goods exported from a Party to a non-Party return to the exporting Party, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities that:

(a) the returning goods 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 non-Party or while being exported.

ARTICLE 13

Exhibitions

1. Originating products sent for exhibition in a non-Party and sold after the exhibition for importation in an EFTA State or in Malaysia shall benefit on importation from the Agreement, provided it is shown to the satisfaction of the customs authorities that:

(a) an exporter has consigned these products from an EFTA State or from Malaysia to the country in which the exhibition is held and has exhibited them there;

(b) the products have been sold or otherwise disposed of by that exporter to a person in an EFTA State or in Malaysia;

(c) the products have been consigned during the exhibition or immediately thereafter in the state in which they were sent for exhibition; and

(d) the products have not, since they were consigned for exhibition, been used for any purpose other than demonstration at the exhibition.

2. A proof of origin must be completed in accordance with the provisions of Article 15 (Proof of Origin) and submitted to the customs authorities of the importing Party in the normal manner. The name and address of the exhibition must be indicated thereon. Where necessary, additional documentary evidence of the conditions under which they have been exhibited may be required.

3. Paragraph 1 shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display, which is not organised for private purposes in shops or business premises with a view to the sale of foreign products, and during which the products remain under customs control.

ARTICLE 14

Non-Alteration

1. Originating products for which preferential tariff treatment is requested in a Party shall be the same products as exported from another Party. They shall not have been altered or transformed in any way or have undergone operations other than to preserve their condition, adding or affixing marks, labels, seals or any documentation to ensure compliance with specific domestic requirements of the importing Party, prior to being declared for preferential tariff treatment.

2. Transit or storage of products or consignments in non-Parties and splitting of consignments in non-Parties may take place provided they remain under customs supervision in such non-Parties.

3. Compliance with paragraphs 1 and 2 shall be considered as satisfied unless the competent authorities have reason to believe the contrary. In such cases the competent authority of the importing Party may request to provide appropriate evidence of compliance, which may be given by any means, including contractual transport documents such as bills of lading or factual or concrete evidence based on marking or numbering of packages or any evidence related to the goods themselves.

SECTION IV

PROOF OF ORIGIN

ARTICLE 15

Proof of Origin

1. For products originating in a Party and fulfilling the other relevant provisions of this Annex, an origin declaration in accordance with Article 16 (Origin Declaration), may be completed by,

(a) an exporter established in a Party; or

(b) an approved exporter in accordance with Article 18 (Approved Exporter).

2. For Malaysia, paragraph 1(a) shall only be applicable once notified to the other Parties according to Article 25 (Notifications and Cooperation).

3. A proof of origin shall be valid for 12 months from the date of its completion.

ARTICLE 16

Origin Declaration

1. For the purpose of obtaining preferential tariff treatment in another Party, an exporter established in a Party may complete an origin declaration for products originating in a Party and otherwise fulfilling the requirements of this Annex.

2. The origin declaration shall have the following wording (without the footnotes):

"The exporter of the products covered by this document (authorisation No ...[4]) declares that, except where otherwise clearly indicated, these products are of ...[5] preferential origin."

…….
(Place and date)[6]

…….
(Signature of the exporter; in addition the name of the person signing the declaration has to be indicated in clear script)[7]

3. The origin declaration may be provided on an invoice or any other commercial document that identifies the exporter and the originating products, and, except as provided in Article 18 (Approved Exporter), bear the original signature of the exporter.

4. An origin declaration shall be completed in English, in a legible and permanent form.

5. An origin declaration may be completed when the products to which it relates are exported, or after exportation.

6. Forwarding agents, customs brokers and other persons have to be empowered in writing by the exporter of the product to establish origin declarations. They must submit the said authorisation to the competent authorities, at their request.

7. An exporter who has completed an origin declaration shall keep a copy of the origin declaration and all documents supporting the originating status of the product, in paper or electronic form, for four years from the date of completion, or longer if required by the domestic laws and regulations of the exporting Party.

ARTICLE 17

Request for Pre-Exportation Examination

1. In the case of Malaysia, the exporter or producer of the good shall apply in writing or by electronic means by providing appropriate supporting documents and other relevant

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[4] If the origin declaration is completed by an approved exporter pursuant to Article 18, the authorisation number of the approved exporter must be entered in this space. When the origin declaration is not completed by an approved exporter, the words in brackets must be omitted or the field must be left blank.

[5] The origin of the product must be indicated in this space (Malaysian; Icelandic; Norwegian; or Swiss). The use of ISO-Alpha-2 codes is permitted (MY, IS, NO or CH). Reference may be made to a specific column of the invoice or any other commercial document in which the country of origin of each product is referred to.

[6] These indications may be omitted if the information is contained in the document itself.

[7] An approved exporter is not required to sign the origin declaration. See Article 18.

information, proving that the good to be exported qualifies as originating to the competent authority requesting a pre-exportation examination of the origin of the good.

2. The result of the examination is subject to periodical review or whenever requested by the competent authority.

ARTICLE 18

Approved Exporter

1. The competent authorities of the exporting Party may authorise any exporter as "approved exporter", who exports products under the Agreement to complete origin declarations without signing them irrespective of the value of the products concerned, provided that he submits a written undertaking to those competent authorities, stating that he accepts full responsibility for any origin declaration which identifies him, as if he had signed it. An exporter seeking such authorisation must at any time be willing and able to offer to the satisfaction of the competent authorities all guarantees necessary to verify the originating status of the products as well as the fulfilment of the other requirements of the Agreement.

2. The competent authorities may grant the status of approved exporter subject to any conditions which they consider appropriate.

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

4. The competent authorities shall monitor the use of the authorisation by the approved exporter. The competent authorities may withdraw the authorisation at any time. They shall do so where the approved exporter no longer offers the guarantees referred to in paragraph 1, no longer fulfils the conditions referred to in paragraph 2 or otherwise makes an incorrect use of the authorisation. The competent authorities of the exporting Party endeavour to promptly notify the competent authorities of the importing Party about any withdrawal of the authorisation of an approved exporter.

SECTION V

PREFERENTIAL TREATMENT

ARTICLE 19

Importation Requirements

1. Each Party shall grant preferential tariff treatment in accordance with the Agreement to originating products of a Party imported from another Party, on the basis of a proof of origin referred to in Article 15 (Proof of Origin).

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, whether or not the importer is in possession of a proof of origin.

3. If the importer is not in possession of a proof of origin at the time of importation, the importer may, in accordance with the domestic laws and regulations of the importing Party, present the proof of origin and, if required, other documentation relating to the importation, at a later stage.

4. A proof of origin shall, after its completion, be submitted to the competent authorities of the importing Party within the 12 months period set out in paragraph 3 of Article 15 (Proof of Origin). The expiration of this period may be suspended as long as the products covered by that proof of origin remain under customs control of the importing Party. After expiration of this period, a proof of origin may be accepted only in exceptional circumstances.

5. Notwithstanding paragraph 1, a Party may, in accordance with its domestic laws and regulations, waive the requirements to present a proof of origin and grant preferential tariff treatment to low value shipments of originating products and originating products for personal use forming part of the personal luggage of a traveller. A Party may exclude such waiver when the importation is part of a series of importations which may reasonably be considered to have been undertaken or arranged for the purpose of avoiding the requirements of this Annex related to origin declarations.

6. An importer who has been granted preferential tariff treatment shall keep the proof of origin and other relevant documents for four years after the date on which preferential tariff treatment was granted, or longer if required by domestic laws and regulations of the importing Party.

ARTICLE 20

Importation by Instalments

Where, at the request of an importer and on the conditions laid down by the competent authorities of the importing Party, a dismantled or non-assembled originating

product within the meaning of General Rule 2 (a) of the HS falling within section XVI and section XVII or heading number 7308 and 9406 of the HS is imported by instalments, the proof of origin may be a single proof of origin for such a product as a whole. The proof of origin shall be submitted to the competent authorities upon importation of the first instalment. Alternatively, a proof of origin may be submitted for each instalment and importation.

ARTICLE 21

Cooperation of Exporters and Importers with Competent Authorities

1. Exporters and importers benefitting from the Agreement shall, within the framework of the Agreement and subject to the domestic laws and regulations of that Party, cooperate with the competent authorities of the Party concerned and submit, at their request, supporting documents regarding the fulfilment of the requirements of this Annex.

2. An exporter who has completed a proof of origin shall:

(a) upon request of the competent authorities of the Party of export, submit the documents referred to in paragraph 1 to those authorities. They may, at any time, carry out inspections and verify the exporters or the producer's accounts and take other appropriate measures; and

(b) when becoming aware of or having reason to believe that a proof of origin contains incorrect information, immediately notify the importer and the competent authorities of the exporting Party of any change affecting the originating status of each product covered by that proof of origin.

3. An importer who has requested or has been granted preferential tariff treatment shall:

(a) upon request of the competent authorities of the importing Party, submit the documents referred to in paragraph 1 to those authorities; and

(b) when becoming aware of or having reason to believe that the proof of origin contains incorrect information, immediately notify the competent authorities of the importing Party of any change affecting the originating status of each product covered by a proof of origin.

ARTICLE 22

Denial of Preferential Treatment

1. The importing Party may deny preferential tariff treatment or recover unpaid customs duties in accordance with its domestic laws and regulations where a product does not meet the requirements of this Annex or where the importer or exporter fails to demonstrate compliance with the relevant requirements.

2. Slight discrepancies between the statements made in the proof of origin and those made in other documents submitted to the customs office for customs clearance or obvious formal errors, such as typing errors in an origin declaration, shall not as such render the proof of origin invalid.

ARTICLE 23

Non-Party Invoicing

The competent authorities of the importing Party shall not deny a claim for preferential tariff treatment for the sole reason that the invoice was issued either by a company located in a non-Party or by an exporter for the account of that company, provided that the goods meet the requirements of this Annex.

SECTION VI

ADMINISTRATIVE COOPERATION

ARTICLE 24

Verification of Proofs of Origin

1. The competent authorities of the exporting Party shall carry out verifications of proofs of origin on request of the importing Party.

2. The verification request may question the authenticity of proofs of origin, the originating status of the products concerned or the fulfilment of other requirements of this Annex. It shall identify the reasons for the inquiry and include a copy of the proof of origin and, if appropriate, any other document or information giving reason to believe that the proof of origin is invalid.

3. The importing Party shall submit the verification request to the exporting Party within 36 months from the completion of the proof of origin. The exporting Party is not obliged to conduct verifications based on verification requests received after that deadline.

4. The competent authorities of the importing Party may, subject to their domestic legislation, suspend preferential tariff treatment to a product covered by a proof of origin until the verification procedure has been finalised.

5. The competent authorities of the exporting Party may request evidence, carry out inspections at the exporter's or producer's premises, check the exporter's and the producer's accounts and take other appropriate measures to verify compliance with this Annex.

6. The requesting Party shall be informed of the results and findings of the verification within six months from the date of the verification request. If the requesting Party receives no reply within the time limit, or if the reply does not state clearly whether a product is originating or whether the proof of origin is valid, the requesting Party may deny preferential tariff treatment to the consignment covered by the proof of origin in question.

7. Where the requested Party is unable to meet the deadline referred to in paragraph 6, due to pending court procedures or other reasons, it shall, upon motivated request within that deadline, be granted an extension of the deadline.

ARTICLE 25

Notifications and Cooperation

1. The Parties shall provide each other, through the EFTA Secretariat with:

(a) the addresses of the competent authorities of the Parties responsible for verifications referred to in Article 24 (Verification of Proofs of Origin) and other issues related to the implementation or application of this Annex;

(b) information on authorisation numbers allocated to approved exporters, pursuant to Article 18 (Approved Exporter); and

(c) information on the interpretation, application and administration of this Annex.

2. The Parties shall provide through the EFTA Secretariat information regarding the entry into force of a new preferential trade agreement concluded with a non-Party referred to in paragraph 4 of Article 7 (Accumulation of Origin).

3. The Parties shall endeavour to resolve technical matters related to the implementation or application of this Annex, to the extent possible, through direct consultations between the competent authorities referred to in subparagraph (1) (a) or in the Sub-Committee on Trade in Goods. Disputes that cannot be settled through such consultations shall be submitted to the Joint Committee.

ARTICLE 26

Confidentiality

Subject to the domestic laws and regulations of each Party, all information which is by nature confidential or which is provided on a confidential basis shall be covered by the obligation of professional secrecy. Such information shall not be disclosed by the Parties' authorities without the explicit permission of the person or authority providing it.

SECTION VII

FINAL PROVISIONS

ARTICLE 27

Penalties

Each Party shall ensure, in accordance with its domestic laws and regulations that appropriate penalties, sanctions or other measures are imposed for violations of the domestic laws and regulations related to this Annex.

ARTICLE 28

Transitional Provision for Goods in Transit or Storage

The Agreement may be applied to products which, on the date of entry into force of the Agreement, are either in transit or in temporary storage in a customs warehouse. For such products, a proof of origin may be completed retrospectively up to 12 months after the entry into force of the Agreement, provided that the provisions of this Annex and in particular Article 14 (Non-Alteration) have been fulfilled.