
**A HANDBOOK ON THE BASIC TRADING
REQUIREMENTS FOR NIGERIAN TRADERS WITHIN
THE AFRICAN CONTINENTAL FREE TRADE AREA
(AFCFTA)**

FEBRUARY, 2021

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FOREWORD

The Nigerian Office for Trade Negotiations ('NOTN') is an Agency of Government of the Federation established pursuant to Federal Executive Council (FEC) 17th Meeting Decision of Wednesday, 10th May, 2017. Our mandate is to lead, manage and coordinate all trade and trade related negotiations on behalf of the Federal Republic of Nigeria. On this basis, NOTN has been negotiating the Agreement establishing the African Continental Free Trade Area (AfCFTA) having successfully chaired and driven the phase I negotiations for the Agreement and its protocols. Consequently, Nigeria signed the Agreement on 7th July, 2019, ratified and deposited her instrument of ratification on 5th December, 2020.

It is recalled that on 1st January, 2021, Africa launched the start of trading under the AfCFTA based on the agreed Rules of Origin, legally implementable and reciprocal Tariff Schedules and Concessions as well as approved Customs Documentation. Among such Customs Documentation are the AfCFTA Certificate of Origin, Origin Declaration and Supplier or Producer's Declaration. These are key trading documents under the AfCFTA in line with Annex 2 on Rules of Origin. Additionally, there is a need for Guidelines on trading under the AfCFTA as trade is vital for the growth and development of the Nigerian economy.

In this regard, the Nigerian Office for Trade Negotiations (NOTN) has prepared this Handbook that contains the basic trading requirements for Nigerian traders within the AfCFTA. The Handbook covers procedures, documentation and other

requirements under the AfCFTA Rules of Origin, Customs Cooperation and Mutual Administrative Assistance and Trade Facilitation. Therefore, the Handbook is envisaged to serve as a quick, easy to understand and accessible guide for trade stakeholders, operators and regulators alike, trade experts, practitioners, investors, academia, policy makers and the general public on the required procedures, documentation and practical steps for trading under the AfCFTA. This, we believe will ensure the maximisation of the benefits of the AfCFTA.

Therefore, my eternal gratitude goes to God Almighty, the Giver of grace and ability. Special appreciation goes to His Excellency, Muhammadu Buhari, GCFR, President of the Federal Republic of Nigeria, for his strategic vision in utilising trade for sustainable growth and development. My appreciation also goes to Prof Yemi Osinnbajo, GCON, Vice President of the Federal Republic of Nigeria; Otunba Richard Adeniyi Adebayo, CON, Honourable Minister, Federal Ministry of Industry, Trade and Investment; Ambassador Mariam Yalwaji Katagum, the Minister of State for Industry, Trade and Investment; Dr. Nasir Sani-Gwarzo, mni, NPOM, Permanent Secretary, Federal Ministry of Industry, Trade and Investment and my entire staff who worked assiduously to compile this Handbook.

Victor LIMAN,
Acting Director General/Chief Trade Negotiator,
Nigerian Office for Trade Negotiations (NOTN).
February, 2021.

Chapter One Introduction

1.1. Background

- 1.1.1 The Agreement establishing the African Continental Free Trade Area (AfCFTA) was signed on 21st March, 2018 by forty-four (44) African Union Member States during the 10th Extra-Ordinary Session of the Assembly of Heads of States and Government in Kigali, Rwanda [Decision Ext/Assembly/AU/Dec.1(X)]. This included the Protocol on Trade in Goods, Protocol on Trade in Services and the Protocol on Rules and Procedures on the Settlement of Disputes. Other documents opened for signature were the Kigali Declaration and the Protocol on Free Movement of Persons, Right to Residence and Right to Establishment. The Agreement entered into force on 30th May, 2019 upon the deposit of the 22nd instrument of ratification with the African Union Commission (AUC) in accordance with Article 23 of the Agreement.
- 1.1.2 Nigeria signed the Agreement on 7th July, 2019 as the 53rd signatory during the 12th Extra-Ordinary Session of the Assembly on the AfCFTA in Niamey, Niger Republic. This day also marked the launch of the operational phase of the AfCFTA [Decision Ext/Assembly/AU/Dec.1(XII)].
- 1.1.3 Subsequently, Nigeria ratified the Agreement and deposited her instrument of ratification on 5th December, 2020 before the 13th Extraordinary Session of the Assembly of Heads of States and Government (Johannesburg Summit) which held virtually [Decision

Ext/Assembly/AU/Dec.1(XIII)].

- 1.1.4 During the Johannesburg Summit, African leaders agreed to commence trading on 1st January, 2021 based on the legally implementable and reciprocal Tariff Schedules and Concessions with the agreed Rules of Origin and Customs Documentation.
- 1.1.5 It is worth noting that the AfCFTA is one of the flagship projects under the African Union Agenda 2063, a shared framework for Africa's inclusive growth, sustainable development and optimum utilisation of Africa's vast resources to benefit all Africans. Therefore, AfCFTA aims to boost intra-African trade, promote industrialization, development of regional and continental value chains, encourage self sufficiency and strengthen and increase Africa's share of global trade. The AfCFTA can promote further development priority and other sectors of the Nigerian economy, facilitate technology spillover, encourage competitiveness, and create favourable business climate that attracts investment. It holds enormous opportunities for young Africans (women and youth in trade) for their empowerment and business growth and development.
- 1.1.6 On this basis and in the light of the benefits of the AfCFTA to Nigeria and Africa in general, the Nigerian Office for Trade Negotiations has commenced effective engagements and sensitisation on AfCFTA implementation in Nigeria especially for micro, small and medium enterprises (MSMEs), manufacturers, service

providers, academic and trade experts. Among such efforts is the production of this Handbook on the basic trading requirements for Nigerian traders within the AfCFTA. The scope of the Handbook includes Guidelines on the AfCFTA Rules of Origin; Customs Cooperation and Mutual Administrative Assistance and Trade Facilitation. It also highlights the procedures and requirements for the issuance of AfCFTA trading documents and other relevant accompanying documentation as well as display sample trading documentation.

1.2 Objectives of the Handbook

In line with the objectives of the AfCFTA to create a single liberalised market for goods and services facilitated by the movement of persons, this Handbook on AfCFTA seeks to achieve the following:

- i. Provide a quick guide to micro, small and medium enterprises (MSMEs), regulators and allied stakeholders on the required procedures, processes and documentation with regard to trading under the AfCFTA;
- ii. Assist MSMEs to become more productive, competitive, value driven and profitable within the AfCFTA;
- iii. Increase awareness on Rules of Origin and how to leverage on the Rules of Origin for maximum trade gains;
- iv. Increase awareness on what the AfCFTA Agreement and its component parts entails;
- v. Enlighten MSMEs on how access the requirements for free trade under the AfCFTA;
- vi. Ensure the realisation of the overall objectives of the AfCFTA.

1.3 State Parties of the AfCFTA

Presently, as at February, 2021, there are thirty-six (36) State Parties of the AfCFTA including Nigeria. State Parties are African countries that have signed the Agreement establishing the AfCFTA and also ratified and deposited their instruments of ratification with the African Union Commission (AUC) in accordance with the Agreement. Therefore, having met the legal requirement, the following States Parties have the capacity to engage in meaningfully beneficial trade within the AfCFTA. These are: Angola, Burkina-Faso, Cameroon, Central African Republic, Chad, Cote d'Ivoire, Congo, Djibouti, Egypt, Equatorial Guinea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Kenya, Lesotho, Malawai, Mali, Mauritania, Mauritius, Mozambique, Namibia, Nigeria, Niger, Rwanda, South Africa, Sahrawi Arab Democratic Republic, Senegal, Sierra Leone, Sao Tome & Principe, Eswatini, Togo, Tunisia, Uganda, and Zimbabwe. The rest of the countries are signatories and are regarded as Member States. The Secretariat of the AfCFTA which is one of the key institutions established by the Agreement is located in Accra, Ghana and is overseen by a Secretary-General, H.E. Wamkele Mene.

Chapter Two

Guidelines On The AfCFTA Rules Of Origin

2.0 Overview and Scope of Guidelines

The Guidelines on AfCFTA Rules of Origin applies to goods originating from AfCFTA State Parties and their eligibility for preferential treatment under the Protocol on Trade in Goods. Such goods must meet certain criteria set out in this Guidelines capturing Annex 2 on Rules of Origin and Appendix IV. In this regard, the Guidelines is divided into 4 parts:

Part 1 - Definitions (Article 1 of Annex 2)

Part 2 - Purpose, Objectives and Origin Conferring Criteria
(Articles 2-16)

Part 3 - Proof of Origin (Articles 17- 33)

Part 4 - Administrative Cooperation (Article 34 – 42)

2.1 Definitions

This section defines operational documents, terms and phrases in relation to the Guideline. These operational documents, terms and phrases include Certificate of Origin, Ex-works Price, Origin Declaration, Value of Materials

Certificate of Origin; A Certificate of Origin is defined as the documentary origin issued by a Designated Competent Authority, confirming that a particular product complies with the origin criteria applying to preferential trade under Annex Protocol on Trade in Goods and in accordance with Article 17(1)(a) of Annex 2 on Rules of Origin.

Ex-works Price; Ex-works price is defined as the price paid for the

product ex-works to the manufacturer in the State Party in whose undertaking the last working or processing was carried out, provided the price includes the value of all the materials used minus any internal taxes paid which are, or may be, repaid when the product obtained is exported.

Origin Declaration; Origin Declaration means an appropriate statement on the origin of goods made, in connection with their exportation by the manufacturer, producer, supplier, exporter or any other competent person on the commercial invoice or any other document relating to the goods.

Special Economic Arrangements/Zones; are special regulatory provisions applicable in a geographical demarcation within a State Party's territory where the legal, regulatory, fiscal, and Customs schemes, applicable to business differ, generally in a more liberal way, from those in application in the rest of that State Party's territory.

Value of Materials; Value of materials refers to 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 any State Party.

2.2 Purpose, Objectives and Origin Conferring Criteria

2.2.1 The Purpose according to Article 2 is to ensure transparency, clarity and predictability in the criteria for determining eligibility of goods for preferential treatment under the AfCFTA. and to implement the Protocol on Trade Goods (Article 13).

2.2.2 The Objectives are to;

- Deepen market integration;

- Boost Intra-Africa trade;
- Promote value chains regionally and continentally and
- Foster Industrialization of African nations. (Article 3)

2.2.3 Origin Conferring Criteria; (Article 4) A product is considered as originating from Nigeria or other AfCFTA country or State Party where:

- i. It is wholly obtained in that state party or
- ii. It has undergone substantial transformation in that state party.

2.2.4 Wholly Obtained Products; Products considered as wholly obtained are mineral products and other non-living natural resources; plants (aquatic plants and plant products, vegetables and fruits); live animals (born and raised); products from slaughtered animals, hunting and fishing; aquaculture and sea fishing products; products extracted from marine soil or sub-soil; scrap and waste from manufacturing operations; and electric energy (Article 5)

2.2.5 Sufficiently Worked or Processed Products are products which are not wholly obtained therefore considered sufficiently worked on or processed under any of the following criteria:

- a) Value Added;
- b) Non-Originating Material Content;
- c) Change in Tariff Heading; or
- d) Specific Processes. (Article 6)

2.3 List of Products under Appendix IV of Rules of Origin

The products listed below as contained agreed Appendix IV on Rules of Origin meet the criteria and are therefore eligible for preferential treatment. These are:

GOODS/PRODUCTS & HARMONISED SYSEM (HS) CHAPTER	
1	'Live animals (Chapter 1);
2	Meat and edible meat offal (Chapter 2);
3	Dairy produce; birds' eggs; natural honey; edible products of animal origin (Chapter 4)
4	Products of animal origin, not elsewhere specified or included (Chapter 5)
5	Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage (Chapter 6)
6	Edible vegetables and certain roots and tubers (Chapter 7)
7	Edible fruit and nuts; peel of citrus fruit or melons (Chapter 8)
8	Cereals (Chapter 10)
9	Products of the milling industry; malt; starches; inulin; wheat gluten (Chapter 11)
10	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder (Chapter 12)
11	Lac; gums, resins and other vegetable saps and extracts (Ex-Chapter 13)
12	Vegetable plaiting Materials; vegetable products not elsewhere specified or included (Chapter 14)
13	Animal or vegetable fats and oils and their cleavage Products; prepared edible fats; animal or vegetable waxes (Ex-Chapter 15)
14	Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates (Chapter 16)
15	Sugars and sugar confectionery (Chapter 17)
16	Cocoa and cocoa preparations (Chapter 18)
17	Preparations of cereals, flour, starch or milk; pastrycooks products (Ex-Chapter 19)
18	Preparations of vegetables, fruit, nuts or other parts of plants (Chapter 20)
19	Miscellaneous edible preparations (Ex-Chapter 21)
20	Beverages, spirits and vinegar (Chapter 22)
21	Residues and waste from the food industries; prepared animal fodder (Chapter 23)

22	Tobacco and manufactured tobacco substitutes (Chapter 24)
23	Salt; sulphur; earths and stone; plastering Materials, lime and cement (Chapter 25)
	Ores, slag and ash (Chapter 26)
24	Mineral fuels, mineral oils and Products of their distillation; bituminous substances; mineral waxes (Ex-Chapter 27)
25	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes (Ex-Chapter 28)
26	Organic chemicals (Chapter 29)
27	Pharmaceutical Products (Chapter 30)
28	Fertilizers (Chapter 31)
29	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks (Chapter 32)
30	Essential oils and resinoids; perfumery, cosmetic or toilet preparations (Chapter 33)
31	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and dental preparations with a basis of plaster (Chapter 34)
32	Albuminoidal substances; modified starches; glues; enzymes (Chapter 35)
33	Explosives; pyrotechnic Products; matches; pyrophoric alloys; certain combustible preparations (Chapter 36)
34	Photographic or cinematographic goods (Chapter 37)
35	Miscellaneous chemical Products (Chapter 38)
36	Plastics and articles thereof (Ex-Chapter 39)
37	Rubber and articles thereof (Ex-Chapter 40)
38	Raw hides and skins (other than furskins) and leather (Ex-Chapter 41)
39	Furskins and artificial fur; manufactures thereof (Chapter 43)
40	Wood and articles of wood; wood charcoal (Ex-Chapter 44)
41	Cork and articles of cork (Chapter 45)
42	Manufactures of straw, of esparto or of other plaiting Materials; basketware and wickerwork (Chapter 46)

43	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard (Chapter 47)
44	Paper and paperboard; articles of paper pulp, of paper or of paperboard (Chapter 48)
45	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans (Chapter 49)
46	Silk (Ex-Chapter 50)
47	Wool, fine or coarse animal hair; horsehair yarn and woven fabric (Ex-Chapter 51)
48	Cotton (Ex-Chapter 52)
49	Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn (Ex-Chapter 53)
50	Man-made filaments; strip and the like of man-made textile materials (Chapter 54)
51	Man-made staple fibres (Chapter 55)
52	Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof (Ex-Chapter 56)
53	Carpets and other textile floor coverings (Chapter 57)
54	Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery, except narrow woven fabrics, embroidery in the piece, in strips or in motifs (Ex-Chapter 58)
55	Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use (Chapter 59)
56	Other made-up textile articles; sets; worn clothing and worn textile articles; rags except blankets and travelling rugs of felt, or non-wovens, other; embroidered and other; 'Bed, table, toilet and kitchen linen', Curtains, others (Ex-Chapter 63)
57	Footwear, gaiters and the like; parts of such articles (Ex-Chapter 64)
58	Headgear and parts thereof (Chapter 65)
59	Umbrellas, sun umbrellas, walking-sticks, seat-sticks, whips, riding-crops and parts thereof (Chapter 66)
60	Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair (Chapter 67)
61	Articles of stone, plaster, cement, asbestos, mica or similar Materials (Chapter 68)
62	Ceramic Products (Chapter 69)
63	Glass and glassware (Chapter 70)

64	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewelry; coin (Chapter 71)
65	Iron and steel (Chapter 72)
66	Articles of iron or steel (Chapter 73)
67	Copper and articles thereof (Chapter 74)
68	Nickel and articles thereof (Ex-Chapter 75)
69	Aluminum and articles thereof (Ex-Chapter 76)
70	Lead and articles thereof (Ex-Chapter 78)
71	Zinc and articles thereof (Ex-Chapter 79)
72	Tin and articles thereof (Ex-Chapter 80)
73	Other base metals; cermets; articles thereof (Chapter 81)
74	Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal (Ex-Chapter 82)
75	Miscellaneous articles of base metal (Chapter 83)
76	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof (Ex-Chapter 84)
77	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles (Chapter 85)
78	Railway or tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signalling equipment of all kinds (Chapter 86)
79	Parts and accessories of vehicles of headings 87.11 to 87.13 (Chapter 87.14); Baby carriages and parts thereof (Chapter 87.15)
80	Aircraft, spacecraft, and parts thereof (Chapter 88)
81	Ships, boats and floating structures (Chapter 89)
82	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof (Chapter 90)
83	Clocks and watches and parts thereof (Chapter 91)

84	Musical instruments; parts and accessories of such articles (Chapter 92)
85	Arms and ammunition; parts and accessories thereof (Chapter 93)
86	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings (Chapter 94)
87	Toys, games and sports requisites; parts and accessories thereof (Chapter 95)
88	Miscellaneous manufactured articles (Ex-Chapter 96)
89	Works of art, collectors' pieces and antiques (Chapter 97)

2.3.1 Working or Processing not Conferring Origin; With regard to a product, the following operations are not sufficient to confer origin as they do not qualify as substantial transformation. Such operations are preservation of products; breaking-up or assembly of packages; washing and cleaning; simple ironing or pressing and painting or polishing; colouration of sugar or formation of sugar lumps, milling of crystal sugar; peeling, stoning or shelling vegetables; sharpening and simple grinding or cutting; simple sifting, screening or sorting; simple packaging and mixing of materials; simple assembling of parts to form a complete article; slaughter of animals and a combination of two or more of such operations. (Article 7)

Additionally, agricultural products, processed or not, obtained from food aid or assistance measures do not qualify as originating.

2.3.2 Cumulation of Origin within the AfCFTA (Article 8) provides that materials originating in one State Party but undergoes further working or processing in another State Party is regarded as having originated in the State Party where the final working/processing/ manufacture takes place. This further

working/processing/ manufacturing must exceed the simple operations listed above.

2.3.3 Goods Produced Under Special Economic Arrangements/Zones (SEZs) provides that these goods are treated as originating goods provided they satisfy the rules of Annex 2 on Rules of Origin and Article 23.3 of the Protocols on Trade in Goods on SEZs. (Article 9)

2.3.4 Unit Qualifications provides the Unit of qualification for applying Rules of Origin as the particular product itself used as a basic unit to determine classification. In this regard;

- i. Tariff classifications is determined according to the Harmonized System.
- ii. Products composed of a group or assembly of articles or components shall constitute a unit of qualification.
- iii. Where a shipment consists of a number of identical products classified under the same heading/ subheading of the Harmonized System, each product shall be considered separately. (Article 10)

2.3.4 Treatment of Packing allows AfCFTA State Parties to treat goods separately from their packing for the purposes of determining the goods origin and assessment of custom duties. (Article 11)

2.3.5 Separation of Materials through an appropriate accounting system may be used where it would be impracticable to physically separate materials with similar character but different origin used in the production of goods. Such accounting system would ensure that no more goods are deemed in that state party than would have been the case had they been

physically separated. (Article 12)

2.3.6 Treatment of Accessories, Spare Parts and Tools as one originating with the piece of equipment, machine or vehicle where they are despatched together, constitute part of the normal equipment and are invoiced together, not separately. (Article 13)

2.3.7 Sets; Products that come in sets are regarded as originating products if all component products of that set are originating.

- i. Where a set is composed of parts that are originating and parts that are non-originating, it will still be regarded as originating if the non-originating parts are not more than 15% of the ex-works price of the set.
- ii. The value of the non-originating component products is calculated the same way as the value of the non-originating materials. (Article 14)

2.3.8 Neutral Elements; In determining the origin of a product, it shall not be necessary to consider the origin of materials used in production such as energy and fuel, plant and equipment, machines and tools and materials not intended to be part of the product component... (Article 15)

2.3.9 Principle of Territoriality; Substantially worked or processed products are regarded as originating if prior to production, the product:

- does not undergo additional operation outside the territories of AfCFTA State Parties other than packing, transporting and preservation; and
- remains under customs control while outside the

territories of AfCFTA State Parties. (Article 16)

Storage or splitting of shipments under the responsibility of the exporter or of a subsequent holder of those products while under custom control in the countries of transit does not affect its originating status.

Where an originating product is returned to a state party from a third party country, the product shall be deemed non-originating unless it is satisfactorily proven to the Custom Authorities that It is the same as that which was export and has not undergone any operation beyond that necessary for preservation.

2.4 Proof of Origin

2.4.1 General Requirements; Originating products imported into another AfCFTA State Party shall benefit under the Protocol on Trade in Goods upon:

- i. Submission of Certificate of Origin (paper or electronic) according to the sample attached to this Guidelines and acceptance shall subject to the State Party's national legislation.
 - ii. Submission of Origin Declaration by an exporter on an invoice, delivery note or any commercial document sufficiently describing the product to aid identification.
- The validity period for a Proof of Origin is 12 months from the issuing date in the exporting State Party to submission to the Customs Authorities of the importing State Party.
 - A Proof of Origin may still be accepted after the 12 month validity period for final presentation if failure

to submit on time is due to exceptional circumstances. (Article 17)

2.4.2 Exemption from Proof of Origin; Goods exempted from submission of proof of origin are originating products:

- i. sent as small packages between private persons among State Parties or constituting part of a traveler's personal luggage;
- ii. imported occasionally and consisting of originating products for personal use of the recipient or traveler - the total value of small package not exceeding \$500 or \$1,200 in the case of products forming part of personal luggage. (Article 28).

2.4.3 Submission of Proof of Origin; Any of the official African Union (AU) languages (English, French, Arabic and Portuguese) shall be used for submission of prepared Proof of Origin to the Customs Authority of the importing State Party and in according to the State Party's applicable procedures. (Article 18)

2.4.4 Origin Declaration; Origin Declarations are to be made out;

- By an approved exporter.
- By an exporter for any consignment with packages containing originating products not exceeding \$5000 in value.
 - i. If the products are originating products in the state party and fulfill other specified requirements in the annex.
 - ii. At the request of the Designated Competent Authority

and must be accompanied with all appropriate documents proving originating status of product.

- iii. The Originating Declaration shall be typed, stamped or printed by the Exporter with his signature on the invoice, the delivery notes or another commercial document in any of the AU official languages. If hand written it should be in ink in printed characters.
- iv. Origin Declarations are to be presented in the importing State Party not later than 12 months after importation of products. (Article 19)

2.4.5 Approved Exporter; The Designated Competent Authority of the exporting State Party is the authority that authorises and approves exporters after they satisfy specified conditions. This authority is monitored to ensure compliance to the rules by the exporter. This authorisation may also be withdrawn by the Designated Competent Authority. (Article 20)

2.4.6 Issuance of Certificate of Origin; The Designated Competent Authority issues the Certificate of Origin. The detailed steps for the issuance of a Certificate of Origin are;

- Exporter or his representative to request in writing.
- Exporter must fill and complete the Certificate of Origin as an application form.
- Exporter to submit upon request by Designated Competent Authority all appropriate documents proving product origin and fulfillment of any other requirement.
- Designated Competent Authority to take steps to verify all submitted documents which may include call for evidence, carrying out inspection of Exporters accounts or any other verification deemed appropriate and ensure

that application form is properly filled.

- Date of issue must be indicated in the appropriate place
- Certificate of Origin to be issued to the best possible extent before exportation has been effected. (Article 21)

2.4.7 Supporting Documents provides list of supporting documents (a-e) required to be submitted by the exporter in the application for Certificate of Origin, for example documents showing production process of materials used, invoice, and any other document that the Designated Competent Authority may require. (Article 22)

2.4.8 Certificate of Origin Issued Retrospectively; A Certificate of Origin can be issued after exportation when;

- It was not issued due to errors or involuntary omission or special circumstances.
- Issued but not accepted at importation for technical reasons.
- In an event when the circumstances above referred are the case, the exporter is to request for it stating the reason for request. When issued, it should be endorsed with the phrase “**ISSUED RETROSPECTIVELY**” in the appropriate space. (Article 23)

2.4.9 Transitional Provisions for Goods in transit or Storage; (Article 24) Goods that comply with the provisions of this Annex 2 on Rules of Origin and were in transit/temporary storage in free zones of a State Party at the time of entry into force of the agreement may be eligible for Rules of Origin provisions if they submit within 6 months of the date, a certificate of origin issued retrospectively and supporting documents showing

goods have been transported in accordance with Article 30.

2.4.10 Issuance of Duplicate Certificate of Origin; (Article 25) provides course of action in the event of theft, loss or destruction of the Certification of Origin.

- Exporter to apply to the Designated Competent Authority that issued the original for a duplicate.
- Duplicate when issued must be endorsed with the word “**DUPLICATE**” in box 3 of the application form.
- The duplicate to bear the date of issue of the original Certificate of Origin.

2.4.11 Issuance of Replacement Certificate of Origin; Certificates of Origin for goods under Custom Authority control may be replaced so as to allow the goods or parts of it to be sent elsewhere. The replacement Certificate will be sent consequently to the customs authority under whose authority the goods were placed. (Article 26)

2.4.12 Importation by Installments provides that a single proof of Origin be submitted to the Customs or Designated Competent Authorities upon importation of the first instalment for dismantled or non-assembled goods within the meaning of General Interpretative Rules of the 2017 Harmonised System (HS) (subject to future migration from HS 2017 to HS 2022). (Article 27)

2.4.13 Fairs and Exhibitions; provides that the Exporters must do the following for the originating goods to benefit from the provisions of this annex. (Article 29)

- Proof to Custom Authorities;

- That the goods were shipped by the Exporter from the State Party to another State Party of the fair or exhibition.
- Products have been sold or disposed of to a person in that State Party.
- Products have been consigned during the fair/exhibition or immediately thereafter
- The goods were not used for any other purpose other than for the display at the fair or exhibition.
 - Provide in the Proof of Origin issued by the exporter the name and address of the fair/exhibition
 - These requirements do not apply to fairs organized for private purposes in commercial premises or shops and for the purpose of selling foreign products during which the products remain under custom control. (Article 30)

2.4.14 Direct Transportation; This applies to only goods transported directly between the territories of the State Parties involved or through them.

- Transportations of goods constituting a single consignment may take place through other state party territories with transshipment or temporary storage provided that those products remain under the supervision of Customs authorities and do not undergo any further other operations except loading and unloading or operation done for the preservation of the goods.
- Products may be transported through pipeline across territories other than those of state parties acting as exporting and importing state parties.
- Proof of compliance to the Customs Authority in the

importing State Party shall require a single transport document covering the passage through the state party of transit or certificate issued by the Customs Authorities of the State party of Transit containing

- i) Description of products;
- ii) All data of unloading and means of transport;
- iii) Certifying conditions which products remained in transit; or
- iv) Other relevant accompanying documents.

2.4.15 Information and Procedure for Cumulation Purposes

(Article 31) provides the procedure for proving Cumulation of Origin, that is, Raw Materials or Semi- finished goods originating in one state party that have undergone further Working/Processing in another State Party (Article 8.2).

They include;

Providing Certificate of Origin/Origin Declaration (Appendix 1 and 2) (Art 31.1)

- Providing the Proof of Evidence of Working/processing by Supplier or Producer's Declaration (Appendix 3) from state party where the said good is exported from (Art 31.2)
- Ensuring that the certification of Origin has the word "CUMULATION" endorsed in the appropriate part of the form (Art 31.3)
- Provide Bill of Lading (Art 31.4)
- Provide Catch Certificates (Art 31.5)

2.4.16 Discrepancies and Formal Errors; Discrepancies and formal errors in documents submitted do not render the Certificate of Origin null and void if the details on it correspond

with the products.

- Typographical errors are not grounds to reject a Certificate of Origin if it does not create doubts in contents of documents submitted. (Article 33)

2.5 Administrative Cooperation

2.5.1 Notifications; Designated Competent Authorities and other agencies including Customs are encouraged to cooperate on the verification of originating products, exchange pertinent administrative information and notify each other of any changes thereof. (Article 34)

2.5.2 Mutual Assistance; provides that Customs or Designated Competent Authorities and other agencies including Customs shall mutually assist each other in the authentication of documents submitted as well exchange of information. (Article 35)

2.5.3 Verification of Proof of Origin; Custom Authorities are to carry out subsequent verification randomly if there is reasonable doubt as to the authenticity of such documents.

- i. Furthermore, documents submitted to the Customs Authorities of the importing state party are to be returned to the Custom Authority of the exporting state providing reasons for the request for verification.
- ii. Custom Authority of the Exporting State Party are to carry out the verification process and have results no later than 6 months after the request by the Importing state party. Such results are to be communicated immediately to the requesting Custom Authority with their findings.

- iii. If the importing state party decides to suspend the granting of preferential treatment pending the outcome of verification, it may offer to release the goods to the importer subject to any precautionary measure.
- iv. Where there is no reply after 6 months of the request or if the reply is not detailed enough to determine document authenticity, the requesting Custom Authority may refuse to confer preferential treatment for the goods originating from the other State Party.
- v. The exporting state to carry out inquiries if in the process of verification it discovers that provisions of this annex are being contravened so as to identify and prevent further contraventions. (Article 36)

2.5.4 Penalties; AfCFTA State Parties shall through national legislation provide for penalties where a person provides false documents in order gain preferential treatment for products. (Article 37)

2.5.5 Sub-Committee on Rules of Origin; provides for the creation of the Sub-Committee on Rules of Origin by the Committee on Trade in Goods, to carry out responsibilities assigned to it under Annex 2 on Rules of Origin or by the Committee on Trade in Goods. (Article 38)

2.5.6 Appendices; Appendices to the Annex on Rules of Origin form an integral part of it. (Article 39)

2.5.7 Dispute Settlement; Disputes arising out of the interpretation of the Annex on Rules of Origin are to be settled in

accordance with the Protocol on Rules and Procedures. (Article 40)

2.5.8 Review and Amendment The Annex on Rules of Origin is subject to review and amendment in accordance with Article 28 and 29 of the AfCFTA Agreement. (Article 41)

2.5.9 Transitional Arrangements the provision lists 6 outstanding issues that will form part of this annex when concluded and adopted. For example, Drafting of additional definition in Annex 2 on Rules of Origin etc. (Article 42)

Basic Steps To Export To Other AfCFTA Countries/State Parties

- Exporter or agent must secure all necessary licences, permits, certificates and necessary documents from the relevant agencies like Nigeria Export Promotion Council (NEPC), Standards Organization of Nigeria (SON), National Agency for Food and Drug Administration and Control (NAFDAC), Nigeria Agricultural Quarantine Services (NAQS) and others.
- Ensure that the product qualifies for export under AfCFTA.
- Next create a bill of entry, attach all relevant permits from Government agencies and secure a reservation with shipping or airline company.
- Apply to the Designated Competent Authority (DCA), AfCFTA Certificate of Origin after paying the prescribed fee at designated commercial banks.
- The Designated Competent Authority (DCA) issues the certificate after it is `vetted.
- Note the following relevant accompanying documents

required for shipment under AfCFTA:

- I. Certificate of origin
- ii. Nigeria Customs Bill of Entry
- iii. Bill of Lading
- iv. Commercial Invoice
- v. Packing list, and
- vi. Certificate of Analysis.

• *Finally, compulsory AfCFTA trading documents are:*

- i. Supplier or producer's declaration form
- ii. Origin declaration form, and
- iii. AfCFTA Certificate of origin

List of AfCFTA Trading Documents:

- AfCFTA Certificate of Origin;
- AfCFTA Origin Declaration; and
- AfCFTA Supplier or Producer's Declaration.

List of Other Relevant Accompanying Documents:

- Nigeria Customs Bill of Entry;
- Bill of Lading;
- Commercial Invoice;
- Packing List; and
- Certificate of Analysis.

**AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA)
ORIGIN DECLARATION
ORIGINAL**

I/We, _____ being the Exporter of the

(Approved Exporter's Name and Registration Number)

Goods covered by this document declare(s) that, the Goods are of _____ origin

(Indicate the African Continental Free Trade Area State Party)

and the origin criterion applicable to these Goods _____

is _____

(insert wholly obtained or substantially transformed, as may be applicable)

Place and Date of Declaration _____

Authorised Exporter's Signature _____

Sample AfCFTA Origin Declaration

**AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA)
SUPPLIER OR PRODUCER'S DECLARATION
ORIGINAL**

A. SUPPLIER OR PRODUCER'S DECLARATION FOR PRODUCTS HAVING PREFERENTIAL ORIGIN STATUS

I, the undersigned, declare that the Goods listed on invoice _____
 were produced in _____
 and satisfy the rules of origin governing preferential trade between the African Continental Free Trade Area State Parties.
 I undertake to make available to the Designated Competent Authority, if required, evidence in support of this declaration.

B. SUPPLIER OR PRODUCER'S DECLARATION FOR PRODUCTS NOT HAVING PREFERENTIAL AFRICAN CONTINENTAL FREE TRADE AREA ORIGIN STATUS

I, the undersigned, declare that the Goods listed on this invoice _____
 were produced in _____
 and incorporate the following components or materials which do not have an African Continental Free Trade Area origin for preferential trade:

I undertake to make available to the Designated Competent Authority, if required, evidence in support of this declaration.

Sample AfCFTA Supplier or Producer's Declaration

Commercial Invoice

EXPORTER: Contact Name: Pon Telephone No.: 1234567890 Email: test@test.com Company Name/Address: Thilagan 4-21, Enurubukadu NAGERCOIL Tamil Nadu 629004 Country: US				Invoice Date: 2018/08/21 Air Waybill No./Tracking No.: Invoice No.: _____ Purchase Order No.: _____ Terms Of Trade: _____ Bill of Lading: Terms Of Payment: Contract number: Contract Date:				
CONSIGNEE: Contact Name: Inlak thilak Telephone No.: 1234567890 E-Mail: Company Name/Address: 23 jardin private Ottawa K1K4T3 Country: CA				SOLD TO / IMPORTER (if different from Consignee): <input checked="" type="checkbox"/> Same as CONSIGNEE: Tax ID#: _____ Company Name/Address: 23 jardin private Ottawa K1K4T3 Country: CA				
If there is a designated broker for this shipment, please provide contact information.								
Name of Broker		Tel.No.		Contact Name				
Duties and Taxes Payable by <input type="checkbox"/> Exporter <input type="checkbox"/> Consignee <input type="checkbox"/> Other If Other, please specify								
No. of Packages	Product Quantity	Unit Net Weight (LB:KG)	Unit of Measure	Description of Goods	HS Tariff	Country of Manufacture	Unit Value	Total Value
1	4	10.00	KG	Hummingbird printed t-shirt - Size : S-olor : White			19.12	76.48
Total Pkgs	Total Units	Total Net (Indicate Weight LB:KG)	Total Gross (Indicate Weight LB:KG)				Subtotal:	76.48
1	4	40.000 KG	40.000 KG				Insurance:	0.00
Declaration Statement(s):							Other:	0.00
I declare that all the information contained in this invoice to be true and correct.							Discount:	0.00
Originator or Name of Company Representative if the invoice is being completed on behalf of a company or individual:							Invoice Total:	76.48
							Currency Code:	USD
Signature / Title / Date:								

Sample Commercial Invoice

PACKING LIST

ORDER #
DATE

SHIPPED TO

NAME
ADDRESS
CITY, STATE, ZIP

NOTE:
When referring to this shipment be sure to give order # and shipping date.

DATE ORDERED	CUSTOMER ORDER NUMBER	DATE SHIPPED	ATTENTION
SHIPPED VIA		CONTAINER NUMBER	OUR INVOICE NUMBER

#	ITEM NUMBER	QUANTITY	SHIPPED	BACKORDERED	DESCRIPTION	UNIT WEIGHT	TOTAL WEIGHT
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							

Comments

PACKED BY

Sample Packing List

Sample Nigerian Customs Bill of Entry

to be inserted

Sample Certificate of Analysis

to be inserted

Chapter Three

Guidelines On AfCFTA Customs Cooperation And Mutual Administrative Assistance

3.0 Overview and Scope of Guidelines

The Guidelines on AfCFTA Customs Cooperation and Mutual Administrative Assistance applies to:

- i. Collaboration among Customs Authorities for the simplification of procedures and the improvement of trade facilitation, to enhance the regulation of trade flows and enforcement of applicable laws in AfCFTA State Parties by establishing international customs standards and harmonised customs procedures as contained in this Guidelines ('Customs Cooperation'); and
 - ii. Actions by a Customs Authority on behalf of or in collaboration with another Customs Authority for the proper application of Customs Laws and for the prevention, investigation and repression of Customs offences ('Mutual Administrative Assistance') [Article 1].
- It is in line with Article 14 of the Protocol on Trade in Goods which encourages AfCFTA State Parties to take appropriate measures for customs cooperation and mutual administrative assistance according to Annex 3 on Customs Cooperation and Mutual Administrative Assistance.

3.1 Definitions

This section proffers definitions of operational terms to Customs and their activities. Such terms include, Customs, Customs Law, Customs offence, Trade facilitation, Customs Cooperation and Mutual Administrative Assistance as defined above.

Customs; Customs is defined as the government Service responsible for the administration of the Customs Law and the collection of duties and taxes and which also has the responsibility for the application of other laws and regulations relating to the importation, movement or storage of goods.

Customs Law; Customs Law is defined as the statutory and regulatory provisions related to importation, exportation and the movement or storage of goods, the administration and enforcement of which are specifically charged to the Customs Authorities and any regulations made by the Customs Authorities under their statutory powers.

Customs Offence; A Customs offence is any breach or attempt to breach Customs Laws of a State Party.

Trade Facilitation; Trade facilitation is the simplification and harmonisation of international trade procedures, including activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade.

3.2 Objectives

The objectives are to ensure:

- Cooperation among State Parties through their Customs Authorities and Designated Competent

Authority;

- Mutual Administrative Assistance between of State Parties administrative authorities that are competent in matters covered by Customs Laws;
- Improvement of the regulation of Trade in State Parties and
- Enforcement of applicable Custom Laws. (Article 2)

3.3 Harmonisation and Simplification of Customs Procedures and Activities

3.3.1 Harmonization of Customs Tariff Nomenclature and Statistical Nomenclature

- i. Apart from the exception granted by the Council of Ministers, State Parties are to take steps to accurately adopt, without addition or modification, the tariff and statistical nomenclatures that conform with the Harmonized System and are to publish their import and export statistics regularly.
- ii. This however does not prevent a State Party from establishing subdivision classifying goods beyond the 6 digit level of the HS so long as it is provided for in the Harmonized System. (Article 3)

3.3.2 Harmonization of Valuation System and Practices

AfCFTA State Parties are to undertake to adopt a system of valuing goods for customs purposes based on the principles of non-discrimination, transparency and uniform application of such a system in accordance with Article VII of GATT on valuation for Customs Purposes. (Article 4)

3.3.3 Simplification and Harmonization of Customs Procedures

State Parties are encouraged to co-operate on the use of relevant and acceptable international standards Such as the Kyoto Protocol etc, as a basis for coming up with their own Customs Laws and designing standardized trade documentation as well as in promoting and facilitating legitimate trade. (Article 5)

3.3.4 Automation of Customs Operations

AfCFTA State Parties are to establish, use and continuously upgrade modern processing systems as well as ensure that their Customs Authorities adopt internationally accepted computerized standards as regards to Customs. (Article 6)

3.3.5 Advance Exchange of Information

AfCFTA State Parties are encouraged to manually or electronically exchange information covered by this Annex in advance of the arrival of goods in its territory as well as the territory of another state party on an automatic basis. (Article 7)

3.3.6 Prevention, Investigation and Suppression of Customs Offences

AfCFTA State Parties are to co-operate and exchange information in the prevention, investigation and suppression of Customs offences through and in the following areas:

- i. exchange lists of Goods the importation of which is prohibited in their respective territories;
- ii. prohibition of the exportation of goods in the above list exchanged to the relevant territories;
- iii. in cases where they share a common border;
- iv. exchange lists of Customs offices located along the

common border together with details of their powers, working hours, and any changes thereto;

- v. consult each other on the establishment of border posts in close proximity to each other and take such steps as may be appropriate to ensure goods pass through those border posts and along jointly approved routes; and
- vi. endeavour to align the capabilities and harmonize the working hours of their corresponding Customs offices; and
- vii maintain special surveillance over the following;
 - entry into, sojourn in, and exit from their territories of persons reasonably suspected of involvement in activities that are contrary to the Customs Laws of any State Party;
 - movement of goods reasonably suspected of being the subject of illegal traffic;
 - places in proximity to the border where stocks of goods have been built up causing reasonable suspicion of being used for illegal cross- border trade; and
 - vehicles, ships, aircraft, or other means of transport under reasonable suspicion of being used to commit Customs Offences in any State Party.

3.3.6.1 State Parties shall provide, upon request, and without delay, all available information regarding:

- i. operations which cause reasonable suspicion of the commission of Customs Offences in any State Party;
- ii. persons, vehicles, ships, aircraft and other means of transport reasonably suspected of involvement in

activities that may violate the Customs Laws of any State Party;

- iii. Goods known to be the subject of illegal traffic;
 - iv. Customs documents relating to importation and exportation of goods which are reasonably suspected of being in violation of the Customs Laws of the requesting State Party;
 - v. Customs documents relating to such exchange of goods between State Parties that are suspected of being in violation of the Customs Law of the requesting State Party; and
 - vi. Certificates of Origin, invoices or any other documents that are or reasonably suspected to be forged or otherwise fraudulently produced.
- (Article 8)

3.3.7 Request, Exchange and Provision of Information

Where there is reasonable doubt, a State Parties shall;

- upon request and subject to the provisions of this Article, promptly provide all necessary information requested;
- notify the details of the responsible national contact points to the Secretariat.
- undertake all necessary verifications relating to the relevant import or export declaration before submitting a request for information.
- make enquiries, record statements and obtain evidence transmit the results of the enquiry and any documents or other evidence, to the requesting State Party when requested by another state Party; and
- notify the competent authorities of the requesting State

Party of actions and decisions taken by the competent authorities of the State Party where the alleged Customs Offence took place in accordance with the law in force in that State Party.

- i. The requesting State Party shall take into account the associated resource and cost implications for the requested State Party in responding to requests for information. In doing so, the requesting State Party shall consider the proportionality between its fiscal interest in pursuing its request and the efforts to be made by the requested State Party in providing the information. (Article 9)

3.3.8 Protection and Confidentiality

In order to ensure the protection and confidentiality of information requested, the requesting State Party shall:

- i. treat the requested information with the same level of confidentiality as domestic laws of the requested State Party;
- ii. use the information solely for requested purpose;
- iii. not disclose the information without the written consent of the requested State Party;
- iv. not use any unverified information as the deciding factor towards alleviating the doubt in any given circumstance;
- v. respect any case-specific conditions set out by the requested State Party regarding retention and disposal of confidential information and personal data; and
- vi. upon request, inform the requested State Party of any decisions and actions taken on the matter

as a result of the information provided. (Article 10)

3.4 Technical Cooperation

AfCFTA State Parties are enjoined to:

- i. develop joint training programmes;
 - ii. exchange staff and share training facilities and resources;
 - iii. exchange professional, scientific and technical data relating to Customs Laws and procedures;
 - iv. support each other in the modernisation of customs procedures including e-customs and electronic data interchange applications;
 - v. support each other in the implementation of trade facilitation measures and simplification of customs procedures; and
 - vi. exchange any other data that can assist Customs Authorities with risk management for control and facilitation purposes.
- And notify the AfCFTA Secretariat of all activities undertaken. (Article 11)

3.4.1 Communication of Customs Information

AfCFTA State Parties are to exchange information relating to customs especially those relating to custom legislation and prevention, investigation and suppression of Customs Offences. (Article 12)

3.5 Sub-Committee on Rules of Origin

The Sub-Committee on Trade Facilitation, Customs Cooperation and Transit is established, to carry out responsibilities assigned

to it under the Annex or by the Committee on Trade in Goods.
(Article 13)

3.6 Dispute Settlement

Disputes arising out of the interpretation of the Annex on Customs Cooperation, Mutual Administrative Assistance are to be settled in accordance with the Protocol on Rules and Procedures. (Article 14)

3.7 Review and Amendment

the Annex on Customs Cooperation, Mutual Administrative Assistance is subject to review and amendment in accordance with Article 28 and 29 of the AfCFTA Agreement. (Article 15)

Chapter 4

Guidelines On AfCFTA On Trade Facilitation

view / Scope of Guidelines

This Guidelines on Trade Facilitation deals with:

- the simplification and harmonisation of international trade procedures,
- Including activities, practices, and formalities involved in collecting, presentation, communicating and processing of data required for the movement of goods under the AfCFTA according to Annex 4 on Trade Facilitation (Article 1).

Annex 4 is the implementation of Article 15 of the Protocol on Trade in Goods which requires AfCFTA State Parties to appropriate measures on trade facilitation.

Contents: Annex 4 contains 31 articles on procedures for pre-arrival processing, pre-shipment inspection, release of goods, risk management, use of information technology, electronic payment and international standards; governing principles, post-clearance audit, expedited shipments, single window, documentation, establishment of committee on trade facilitation and sub-committees, implementation and dispute settlement amongst other things.

4.1 Objectives

The objectives are to:

- Simplify and harmonise trade procedures and logistics;
- Expedite the processes in the movement, clearance and

release of goods for import, export, and transit.

- Based on principles of transparency, harmonisation and standardisation of Customs laws, and requirements (Articles 2 and 3).

4.2 Publication

Publication requires that the practical steps for import, export and transit including the required documentation and data, applicable duties and taxes, customs classification/valuation rules, administration of tariff quotas, laws and regulations, restrictions/prohibitions, penalties, review and contact details for enquiry point(s) be promptly published online or through other means by each State Party in an easily accessible manner. (Article 4)

4.3 Enquiry Points

Each AfCFTA State shall set up enquiry points and notify the contact information to the AfCFTA Secretariat (Article 5). The function of the enquiry points is to promptly respond to 'reasonable enquiries of other State Parties, traders and persons of interest on matters above under Article 4.

4.4 Requirements for Written Advanced Ruling

Advanced ruling is to be issued by every AfCFTA State Party prior to importation into its territory upon a written application by an applicant setting forth the treatment on the good's tariff classification and the goods origin. The duration of an advanced ruling is 6 months unless conditions change. (Article 6)

- A State Party is required to publish online the application requirements, information, period for issuance and

validity.

- Where an application raises questions and facts:
- subject to administrative or judicial review or
- unrelated to use of Advance Ruling; a State Party may decline to issue advance ruling and promptly notify the Applicant in writing stating the facts and basis.
- A State Party can also revoke or modify an Advance Ruling based on the facts and circumstances.

4.4.1 Instances for Issuance of Advance Ruling: where there is:

- (a) application of criteria it uses to determine the customs value of the good in accordance with the Agreement on Implementation of Article VII of GATT 1994;
- (b) application of duty drawback, deferral, or other schemes of relief that reduce, reimburse, or waive customs duties;
- (c) the preferential treatment for which the good qualifies;
- (d) country of origin labelling requirements, including placement and method of marking;
- (e) whether the good is subject to a quota or tariff-rate quota; and
- (f) such other matters as the State Party may decide.

4.5 Procedures and Measures to be Adopted by Each AfCFTA State Parties

4.5.1 Procedure for Pre-arrival Processing

This includes electronic means for submission of import documentation and other required information such as manifest to enable pre-arrival processing of goods to expedite the release

of goods upon arrival. (Article 7)

4.5.2 Procedure for Electronic Payment

This is to allow for electronic payment for import and export duties, taxes, fees, and charges collected by Customs. (Article 8)

4.5.3 Procedure for the Release of Goods Prior to the Final Determination of Customs Duties, Taxes, Fees and Charges

Goods are to be released on condition of appropriate payment or equal guaranty required by the State Party and subject to meeting all regulatory requirements. A guarantee (to be discharged later) may be required in cases of offences attracting monetary penalties or fines.

- These procedure shall not affect the rights of a State Party to examine, detain, seize, confiscate or deal with the goods in any manner within its rights and obligations under the AfCFTA. (Article 9)

4.5.4 Risk Management System

AfCFTA State Parties are implement Risk Management Systems to facilitate customs control over high-risk consignments, fast-track release of low-risk consignments, prevent unjustifiable discrimination or disguised restriction in trade and aid risk assessment based on the Harmonised System code, nature and description of the goods, country of origin, country from which the goods were shipped, value of the goods, compliance record of traders, and type of means of transport. (Article 10)

4.5.5 Procedure For Post-Clearance Audit

Post Clearance Audit is applicable to a selected person or consignment in a transparent manner to fast-track release of goods and ensure compliance with Customs and other related laws and regulations.

- Upon conclusion of post-clearance audit, the State Party shall promptly notify the person, of the results, the rights and obligations, and the reasons for the results.
- The information obtained in post-clearance audit may be used in further administrative or judicial proceedings while the result of post-clearance audit shall be applied in risk management. (Article 11)

4.5.6 Measures for Establishment and Publication of Average Release Times

AfCFTA State Parties are to implement it in a consistent manner using tools such as the Time Release Study of the World Customs Organization ("WCO").

- Each State Party may determine the scope and methodology of such average release time measurement based on its needs and capacity and share such experiences (including methodologies used, bottlenecks identified, and resulting effects on efficiency) with the Sub-Committee on Trade Facilitation, Customs Cooperation and Transit. (Article 12)

4.5.7 Additional Trade Facilitation Measures for Authorised Operators

These measures are available to all operators who meet specified criteria or alternatively measures through customs procedures.

- The specified criteria shall be published, not discriminating operators, not restricting medium and small scale enterprise participation and may include:
 - (a) an appropriate record of compliance with customs and other related laws and regulations;
 - (b) a system of managing records to allow for necessary internal controls;
 - (c) financial solvency, including, where appropriate, provision of a sufficient security or guarantee; and
 - (d) supply chain security;

- The Trade Facilitation measures provided shall include at least three (3) of the following measures:
 - (a) low documentary and data requirements, as appropriate;
 - (b) low rate of physical inspections and examinations, as appropriate;
 - (c) rapid release time, as appropriate;
 - (d) deferred payment of duties, taxes, fees and charges;
 - (e) use of comprehensive guarantees or reduced guarantees;
 - (f) a single customs declaration for all imports or exports in a given period; and
 - (g) clearance of goods at the premises of the Authorised Operator or another place authorised by Customs.

- Development of Authorised Operator schemes based on international standards to meet given objectives are

encouraged among State Parties as well as exchange of relevant information with the Sub-Committee on Trade Facilitation, Customs Cooperation and Transit. (Article 13)

4.5.8 Procedures for Expedited Shipments

AfCFTA State Parties are to implement such procedures to fast-track the release of goods brought in through air cargo facilities with minimised documentation and upon application on the following conditions:

- a. provide adequate infrastructure and payment of customs expenses related to processing of expedited shipments in cases where the applicant fulfils the State Parties' requirements for such processing to be performed at a dedicated facility;
- b. submit in advance of the arrival of an expedited shipment the information necessary for the release;
- c. be assessed fees limited in amount to the approximate cost of services rendered in providing the treatment described in paragraph 2 of this Article;
- d. maintain a high degree of control over expedited shipments through the use of internal security, logistics, and tracking technology from pick-up to delivery;
- e. provide expedited shipment from pick-up to delivery;
- f. assume liability for payment of all customs duties, taxes, fees, and charges to the customs authority for the goods;
- g. have a good record of compliance with customs and other related laws and regulations; and
- h. comply with other conditions directly related to the effective enforcement of the State Parties' laws,

regulations, and procedural requirements that specifically relate to providing the treatment described in paragraph 2 of this Article.

- A State Party reserves the right to:
 - i. examine, detain, seize, confiscate or refuse entry of goods, or conduct post-clearance audit including risk management systems.
 - ii. further require the submission of additional information and the fulfillment of non-automatic licensing requirements as condition for release of goods. (Article 14).

4.5.9 Provide For The Release Of Perishable Goods

AfCFTA State Parties are provide for the release of perishable goods within the shortest possible time during and outside business hours of Customs under exceptional cases.

- Each AfCFTA State Party is to prioritise perishable goods when scheduling examinations, arrange or allow for proper, approved movement to storage and storage as well as allow for release of goods at the storage facilities according to national legislation. (Article 15)

4.5.10 Implement International Standards and Elements

AfCFTA State Parties are to implement standards for international best practice in import, export and transit data maintenance, reporting and share relevant information and best practices through the Secretariat as well as discuss how specific standards and procedures facilitate trade. (Article 16)

4.5.11 Use the Most Modern Information and Communications Technology

AfCFTA State Parties are to fast-track the procedures for release of imported and exported goods including goods on transit through:

- making available by electronic means any declaration or other form required for the import, export or transit of goods;
- allowing documentation for import, export, or transit to be submitted electronically;
- establishing an assessable electronic system for data exchange relating to trade information to continuously promote data exchange by the importers, exporters and persons engaged in transit of goods; and
- collaborating with other State Parties to implement mutually compatible electronic systems that enable the intergovernmental exchange of trade data amongst the State Parties. (Article 17)

4.5.12 Establishment of Single Window

AfCFTA State Parties are to establish Single Window supported by information technology to enable traders submit import, export and transit documentation and data through a single entry point to the participating national authorities and prompt notification of the applicant(s) after examination of documentation and data by the national authorities.

- AfCFTA State Parties are to notify the AfCFTA Secretariat of the details of their Single Window operation. (Article 18)

4.5.13 Ensure Freedom of Transit

AfCFTA State Parties are to ensure freedom of transit through their territories according to Article V of the General Agreement on Tariffs and Trade (GATT) 1994 and Article 11 of the World Trade Organisation Agreement on Trade Facilitation. (Article 19)

4.5.14 Application of Uniform Procedures and Documentation Requirements

AfCFTA State Parties are to apply uniform procedures and documentation requirements for the prompt, time and cost effective release of goods in a non-restrictive manner by each AfCFTA State Party including the acceptance of paper or electronic copies for import, export or transit throughout its territory.

- Each AfCFTA State Party may differentiate its import, export and transit procedures and documentation according to the nature and type of goods or their means of transport and risk management involved. (Article 20)

4.5.15 Publication of a List of Applicable Fees, Charges and Penalties

AfCFTA State Parties are to publish a list of applicable fees and charges other than Customs duties and ensure their application according to Articles II, V and VII of the GATT, is limited to the cost of services, not calculated ad valorem and does not constitute an indirect protection of domestic goods.

- Each AfCFTA State Party shall periodically review and streamline its fees and charges and ensure that penalties are only imposed on person(s) who breach a Customs Law, regulation or procedure having notified such person(s) in writing depending on the facts and

circumstances and equal to the degree of breach.

- Where a person voluntarily discloses a breach of Customs Law, regulation and procedural requirement, the State Party's Customs Authority is encouraged to consider such facts and mitigate the penalty. (Article 21)

4.5.16 Providing Means of Review and Appeal

AfCFTA State Parties are to establish means of review and appeal in form of a separate and higher administrative authority and/or a judicial appeal for any person whom an administrative decision has been taken.

- An administrative or judicial review made shall be applicable in the same manner throughout a State Party's territory and to the same goods. (Article 22)

4.5.17 Optional Use of Customs Brokers

AfCFTA State Parties are to make optional the use of Customs brokers based on a State Party's policy, notify the AfCFTA Secretariat and publish measures for use of Customs brokers while allowing for transparent and objective licensing. (Article 23)

4.5.18 Ensure the Non-Requirement of Pre-Shipment Inspection Entities

AfCFTA State Parties are not to require the use of pre-shipment inspection entities with regard to tariff classification or valuation. (Article 24)

4.5.19 Ensure Border Agency Cooperation and Coordination

AfCFTA State Parties are ensure cooperation and coordination among border control authorities within their territories and with

other State Parties sharing common border in the areas of aligning working days and hours, procedures and formalities; development and sharing of common facilities; joint controls and establishment of one stop border post control. (Article 25)

4.5.20 Establishment of National Committee on Trade Facilitation or Designation of an Existing Mechanism

AfCFTA State Parties are to establish National Committees on Trade Facilitation or designate existing ones to aid domestic coordination and implementation of trade facilitation measures. (Article 28)

4.5.21 Implementation Capacities of State Parties

AfCFTA State Parties are to fast-track the implementation of Trade Facilitation measures and requirements based on their implementation capacities determining the extent and timing of implementation. (Article 29)

4.5.22 Recognition of Other Trade Facilitation Measures

Cooperation is required among AfCFTA State Parties to expedite the movement of goods, and reduce the cost of doing business and excessive documentation during trade within the AfCFTA. (Article 26)

4.6 Settlement of Disputes

The resolution of disputes between AfCFTA State Parties is according to the Protocol on Rules and Procedures on the Settlement of Disputes. (Article 30)

Chapter 5

Conclusion

5.0 Conclusion

The main thrust of this Handbook is to acquaint Nigerian traders with the basic requirements for trading within the AfCFTA in the spirit of realising the overall objectives of the AfCFTA. In this regard, the Handbook gives a brief background of the AfCFTA highlighting the objectives and state of play of ratification. Furthermore, the Handbook highlights three Guidelines on AfCFTA Rules of Origin including list of products eligible for preferential treatment; Customs Cooperation and Mutual Administrative Assistance and Trade Facilitation along with the sample trading documents, their requirements and procedures for exporting to other AfCFTA Countries as well as other measures to be implemented by AfCFTA State Parties in the operationalisation of the AfCFTA.

Finally, the Handbook highlights the need for cooperation and coordination among all AfCFTA State Parties, relevant stakeholders; market operators, regulators and all allied entities and persons involved in trading within the AfCFTA. Such spirit of cooperation and coordination will help deliver the collective gains of the AfCFTA for all.



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