

APPENDIX A

GUIDELINE ON THE ISSUANCE OF BACK-TO- BACK/ TRANSSHIPMENT NON-PREFERENTIAL CERTIFICATE OF ORIGIN (B2B NPCO)

1. OBJECTIVES

- 1.1. The objectives of this guideline are:
 - 1.1.1. To streamline issuance of B2B NPCO with the current B2B CO Operational Certification Procedure (OCP) under the existing regional FTAs.
 - 1.1.2. To explain the actual concept of Back-to-Back (B2B) / Transshipment activities; and
 - 1.1.3. To standardize the certification procedures for the Back-to-Back (B2B) / Transshipment Non-Preferential Certificate of Origin (NPCO).

2. ISSUING AUTHORITY

- 2.1. The issuing authority for NPCO (including the Back-to-Back NPCO) are Chambers and Associations (C&As) authorised by MITI.
- 2.2. The eligibility and appointment criteria of the authorized C&As are as stipulated in paragraph 2 and 3 of the Guidelines on Issuance of the Non-Preferential Certificate of Origin dated 1 September 2015.

3. ELIGIBILITY

- 3.1. The exporters and/or the manufacturers of the products including their authorised agents shall apply for the B2B/Transshipment NPCO from the authorised C&As.
- 3.2. B2B NPCO shall only be issued for goods that are in transit / transshipped in Malaysia before being re-exported to the next importing country.
- 3.3. Goods to be re-exported must be retained in Customs Control Area (CCA) or in any area/premise under monitoring and control of the Royal Malaysian Customs Department (RMCD)/Port Authority/Port Operator while being in transit/transhipped in Malaysia.

- 3.4. The consignment to be re-exported must not undergo any further processing in Malaysia that may compromise the origin status of the first exporting country, except for storing, break-bulking, repacking, relabelling, preserving and transportation/logistics activities such as unloading and reloading.

4. CERTIFICATION PROCEDURES

- 4.1. Country of origin in the B2B NPCO must carry the origin status of the first exporting country.
- 4.2. Each B2B NPCO shall only bear one (1) country of origin. Mixture or combination of more than one (1) country of origin in one B2B NPCO is totally prohibited.
- 4.3. A valid original certificate of origin (CO) from the first exporting country must be presented to C&As upon application for B2B NPCO. The list of documents required for application of B2B NPCO is as per **ANNEX I**.
- 4.4. In the case of partial shipments, the partial export value shall be shown. The total quantity to be re-exported under the partial shipment should not exceed the total quantity as indicated in the CO from the previous exporting country.
- 4.5. The period of validity of the B2B NPCO should not exceed the period of validity of the first exporting country's CO.

5. REPORTING AND MONITORING

C&As are required to submit a monthly report to MITI on B2B NPCO issued. Format of the report is as follows:

Company's Name	HS Code	Description of goods	FOB Value (RM)	Destination	Total CO

CHECKLIST OF DOCUMENTS REQUIRED FOR APPLICATION OF BACK-TO-BACK/TRANSSHIPMENT NON-PREFERENTIAL CERTIFICATE OF ORIGIN (B2B NPCO)

PART I:

MANDATORY DOCUMENTS

Note: All documents must be presented upon application for B2B NPCO

1. Documents from the First/Previous Exporting Country (√ / X)

(a)	Certificate of Origin	
(b)	Invoice	
(c)	Bill of Lading / Delivery Note	
(d)	Packing List	

2. Documents from the Intermediate Country (Malaysia) (√ / X)

(a)	Invoice	
(b)	Bill of Lading / Delivery Note	
(c)	Packing List	

PART II:

ADDITIONAL DOCUMENTS REQUIRED

Note: Documents listed in either ONE of the following Category must be presented concurrently with documents in PART I.

Category 1 : Companies Operating in Bonded Warehouse/Free Zone (√ / X)

(a)	Customs K8 Declaration / ZB Form (Import)	
(b)	Customs K8 Declaration / ZB Form (Export)	

Category 2: Companies with Goods in Transit/Transshipment in Malaysia

(a)	Customs K8 Declaration / ZB Form (Transshipment)	
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Category 3: Companies with Licensed Manufacturing Warehouse (LMW)

(a)	Customs K1 Declaration (Import)	
(b)	Customs K2 Declaration (Export)	
(c)	Licensed Manufacturing Warehouse from RMCD <i>(for existing license holder)</i>	
(d)	Approval Letter on Value Adding Activities (VAA) or “Kelulusan Menjual Alat Ganti Sebagai Warranty Parts” from Royal Malaysian Customs Department (RMCD)	
(e)	Letter of Undertaking*	

Category 4: Companies with Regional Distribution Centre (RDC) / International Procurement Centre (IPC) / Principal Hub (PH)

(a)	Customs K1 Declaration (Import)	
(b)	Customs K2 Declaration (Export)	
(c)	Licensed Manufacturing Warehouse from RMCD <i>(for existing license holder)</i>	
(d)	Letter of Regional Distribution Centre (RDC) / International Procurement Centre (IPC) / Principal Hub (PH) status from MIDA <i>(for existing license holder)</i>	
(e)	Letter of Undertaking*	

Note:

*Letter of Undertaking shall bear:

- i. assurance from applicant that the goods to be re-exported have not undergone any substantial processes that may compromise the origin status of the first exporting country, other than the permissible activities as in paragraph 3.4 of this guideline;
- ii. commitment that applicant shall be fully accountable and liable in case of any fraud, falsification, wrongdoing and/or due diligence related to the details or information declared by the applicant during application for B2B NPCO; and
- iii. will or intention of applicant to accept any legal action and/or any other possible consequences with regard to fraud, falsification, and wrongdoing and/or due diligence related to the details or information declared by the applicant during application for B2B NPCO.