AUSTRALIAN CUSTOMS NOTICE NO. 2005/03

Declaration form for SPARTECA and SPARTECA (TCF Provisions) Scheme

The purpose of this Australian Customs Notice (ACN) is to advise of a new declaration form that can be used when claiming duty-free entry under the South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA) or under the SPARTECA (TCF Provisions) Scheme (‘the Scheme’), and to remind importers of some of the requirements of the Scheme.

# Extension of the SPARTECA (TCF Provisions) Scheme

Under the Scheme, certain textiles, clothing and footwear from Forum Island Countries that are not entitled to duty-free entry under SPARTECA can enter duty free. The Scheme is administered through item 68 in Schedule 4 to the *Customs Tariff Act 1995* (the Tariff).

Item 68 in Schedule 4 to the Tariff has been extended until 31 December 2011 (ACN No. 2004/53 refers).

# Terms and conditions of scheme

Before claiming duty-free entry under the Scheme (or under SPARTECA), an importer is expected to be familiar with the requirements that need to be satisfied. The terms and conditions of the Scheme are available from the Department of Industry, Tourism and Resources at the address referred to below.

A manufacturer in a Forum Island Country needs to be registered for the Scheme, otherwise its goods will not qualify for duty-free entry under item 68.

A manufacturer wishing to be registered should contact: SPARTECA (TCF Provisions) Scheme

TCF Policy Group

Department of Industry, Tourism and Resources GPO Box 9839

CANBERRA ACT 2601 AUSTRALIA

An importer requires a declaration from the manufacturer in relation to the goods for which duty-free entry will be claimed. To facilitate imports from Forum Island Countries, Customs has prepared a single declaration that can be used for both SPARTECA and the Scheme. A copy of the declaration is at Attachment A.

# Entry requirements

When claiming duty-free entry under the Scheme, an importer should include the following information on the Entry for Home Consumption:

* the treatment code for item 68 (currently 468)
* preference indicator “X” and
* the reference number (know as ELAC ID) on the manufacturer’s declaration in relation to those goods. *Note: The reference number must be input on the “Goods Description” line of the Entry.*



An importer must ensure that its goods are classified to a heading or subheading of Schedule 3 to the Tariff that is specified in Appendix A to the Terms and Conditions of the Scheme, and meet any other requirements of the Appendix.

Before claiming preference under the Scheme (or under SPARTECA), it is important that an importer checks the declaration for the goods to ensure that the goods satisfy the requirements of the Scheme (or of SPARTECA). Preference should not be claimed under the Scheme for goods satisfying the requirements of SPARTECA, and vice versa.

# Failure to substantiate a claim

Where an importer is unable to substantiate a claim for duty-free entry under the Scheme (or under SPARTECA), the general rate of customs duty will apply to the goods, unless the goods meet the rules of origin for Developing Countries, in which case the Developing Country rate of customs duty will apply.

Importers should take reasonable care, before making a claim for duty-free entry under the Scheme (or under SPARTECA), to ensure that the terms and conditions of the Scheme (or of SPARTECA) have been met. When duty-free entry is claimed and Customs finds that the goods do not meet the relevant terms and conditions, Customs will demand any duty short- paid and may impose penalties. Additional action may be taken where fraud is involved.

# Inquiries

Any enquiries in relation to this Notice should be directed to the origin mailbox, [origin@customs.gov.au](mailto:origin@customs.gov.au), or to Origin, Trade Branch on telephone number (02) 6275 6556.

Andrew Rice National Manager Trade Branch CANBERRA ACT

February 2005

Attachment A

# SPARTECA [P50]

**MANUFACTURED GOODS FROM A FORUM ISLAND COUNTRY**

I declare that:

1. the last process in the manufacture of the goods listed at invoice line(s)

of invoice number was performed in

(name of Forum Island Country); and

1. not less than 50% of their total factory cost is represented by the sum of the allowable expenditure of the factory on materials, labour and overheads and the cost of inner containers of (name of Forum Island Country) and Australia.

# SPARTECA (TCF Provisions) Scheme [TCF] MANUFACTURED GOODS FROM A FORUM ISLAND COUNTRY

I declare that the goods listed at invoice line(s) of invoice number

are Qualifying Goods in accordance with the Terms and Conditions of the SPARTECA (TCF Provisions) Scheme, notably:

1. , (name of manufacturer) is registered with the Program Administrator to participate in the SPARTECA (TCF Provisions) Scheme; and
2. the last process in the manufacture of the goods described below was performed in (name of Forum Island Country); and
3. a percentage of at least 35% and less than 50% of the total factory cost of the goods is represented by the sum of the allowable expenditure of the factory on materials, labour and overheads and the cost of inner containers of

(name of Forum Island Country) and Australia; and

1. ELAC Points from the manufacturer's ELAC register, equivalent to 30% of the total factory cost of the goods, have been applied to the goods in accordance with the Terms and Conditions of the SPARTECA (TCF Provisions) Scheme; and
2. the ELAC ID\* (or IDs) of the qualifying goods, with reference to the associated invoice line(s) is:

\* ELAC ID must be in the following format: 3 alphabetic characters followed by 5 numeric characters.

|  |
| --- |
| Signature: |
| Name: |
| Position in manufacturing company: |
| Name of manufacturing company: |
| Date: |