

AUSTRALIAN CUSTOMS AND BORDER PROTECTION NOTICE NO. 2012/65

Customs Tariff Amendment (Malaysia-Australia Free Trade Agreement Implementation) Act 2012

The *Customs Tariff Amendment (Malaysia-Australia Free Trade Agreement Implementation) Act 2012* (the Act) contains amendments to the *Customs Tariff*

*Act 1995* (Customs Tariff) to implement the duty reductions contained in the Malaysia- Australia Free Trade Agreement (MAFTA).

The amendments to the Customs Tariff:

* provide free rates of customs duty for goods that are Malaysian originating goods in accordance with new Division 1H of Part VIII of the *Customs Act 1901* (the Customs Act). New Division 1H was inserted in the Customs Act by the *Customs Amendment (Malaysia-Australia Free Trade Agreement Implementation and Other Measures) Act 2012*;
* amend Schedule 4 to the Customs Tariff to maintain customs duty rates for certain Malaysian originating goods in accordance with the applicable concessional item; and
* create a new Schedule 9 in the Customs Tariff to accommodate excise equivalent rates of duty.

The MAFTA amendments come into effect on 1 January 2013.

The Act also provides that preferential rates for Malaysian originating goods will apply to goods imported before 1 January 2013 but entered for home consumption on or after that date.

Malaysia is currently listed as a Developing Country under Division 1 of Part 4 of Schedule 1 of the Customs Tariff. Goods imported from Malaysia are therefore subject to DCS rates of duty. Certain rubber goods from Malaysia are covered by the Malaysia-Australia Trade Agreement. Malaysian goods are also accorded AANZ rates of duty under the ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA). When implemented, MAFTA will not affect these existing preferential arrangements with Malaysia.

# Import declaration procedures for goods from Malaysia

The entry procedures for goods from Malaysia will be as follows:

* + The Country Code "MY" should continue to be used for all goods from Malaysia.
  + Where goods are Malaysian originating good for the purposes of MAFTA, the new Preference Scheme "MFTA" should be used on Customs Import Declarations to access the preferential rate of duty under MAFTA.
  + Where goods imported from Malaysia are AANZ originating goods for the purposes of the AANZFTA, the Preference Scheme "AANZ" should be used on Customs Import Declarations.
  + Preference Scheme "MY" is currently used for a small number of subheadings in Chapter 40 (rubber and rubber products) for goods covered by the Malaysia- Australia Trade Agreement (MATA). The Preference Scheme "MY" will end and be replaced by the Preference Scheme "MYT", from 1 January 2013. Preference scheme "MYT" should be used if importers wish to access the preferential rates for the rubber products covered by MATA.
  + For other goods of Malaysian origin importers can continue to claim "DCS" rates of duty under the Australian System of Tariff Preference. The Preference Scheme "DCS" should be quoted on Import Declarations.
  + If no Preference Scheme is quoted, the general rate of duty will apply.

It will also be necessary to quote a Preference Rule on Import Declarations. ACN

No. 2012/69 sets out the rules for determining whether goods are Malaysian originating goods, for the purposes of claiming MAFTA preferential rates.

# Tariff reprint pages

Pages containing MAFTA alterations are the introductory pages to the Customs Tariff working pages, the Customs Tariff Act, Chapter 40 of Schedule 3, Schedule 4 and new Schedule 9. These pages will be issued in the week commencing 17 December 2012.

Footers in Schedule 3 to insert references to MAFTA will be amended progressively as other changes are made.

Inquiries concerning this notice may be directed to: Manager Tariff Legislation

Trade Policy and Advice

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(Signed)

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