



World Customs  
Organization

A QUICK GUIDE

# AfCFTA Rules of Origin





# Table of Contents

About this guide .....	4
Introduction.....	5
What are rules of origin?.....	6
Why do we need AfCFTA rules of origin?.....	7
What are the conditions for a product to attain AfCFTA origin?.....	8
Are there any flexibilities on AfCFTA rules of origin?.....	12
Your product also has to satisfy all other applicable rules of origin requirements .....	13
Who can help determine if your product qualifies? .....	13
How do you prove the origin of your AfCFTA products? .....	14
What are the steps to paying AfCFTA lower duties? .....	15





## About this guide

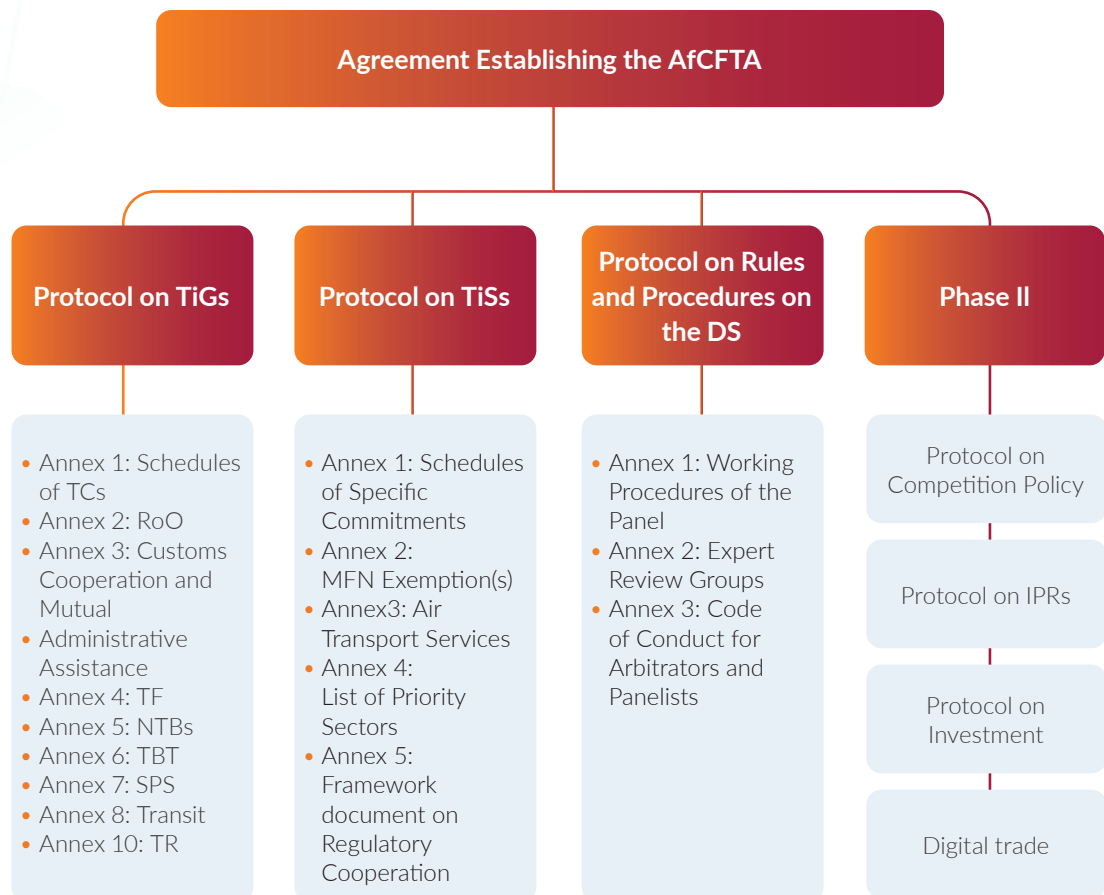
The World Customs Organization with the support of the European Union under the EU-WCO Rules of Origin Africa Programme presents this document as a guide to the private sector to assist with the practical implementation of the AfCFTA Annex 2 on Rules of Origin of the Protocol on Trade and its relevant appendices. The guide does not in any way replace the AfCFTA legal documents of Rules of Origin.

This publication was produced with the financial support of the European Union under the Rules of Origin Africa Programme. Its content is sole responsibility of the Rules of Origin Africa Programme and do not necessarily reflect the views of the European Union.

# Introduction

The African Union (AU) Head of States and Government during the summit meeting held in January 2011 adopted the recommendation of the 6<sup>th</sup> Ordinary Session of the AU Ministers of Trade held in the year 2010, which needed to fast-track the establishment of a Pan-African Free Trade in January 2012. The main objectives of the African Continental Free Trade Area (AfCFTA) Agreement are to create a single continental market for goods and services, with free movement of business persons and investments, and thus pave the way for accelerating the establishment of the Customs Union in the future.

The AfCFTA Package is made up of a framework agreement along with different protocols which include the Protocol on Trade in Goods. See below the Framework of the AfCFTA Agreement.



The AfCFTA entered into force on 30 May 2019, and the AfCFTA trade started on 1 January 2021.

Goods need to fulfill the AfCFTA rules of origin as outlined in Annex 2 on Rules of Origin of the AfCFTA Protocol on Trade in Goods to benefit from this continental trade agreement and hence circulate without paying customs duties within the AfCFTA State Parties.



## What are rules of origin?

Rules of origin are rules and regulations that determine the “**economic nationality**” of a product.

AfCFTA Rules of Origin are found in the [Protocol on Trade in Goods, Annex 2 on Rules of Origin and its Appendix IV](#).

# Why do we need AfCFTA rules of origin?

We need rules of origin to specify conditions that a product needs to fulfill to be considered as originating in the free trade area.

These rules are specified in Annex 2 and its Appendix IV as shown below:

**ANNEX2  
RULES OF ORIGIN**

**PART I  
DEFINITIONS**

**Article 1  
Definitions**

For purposes of this Annex, the following definitions shall apply.

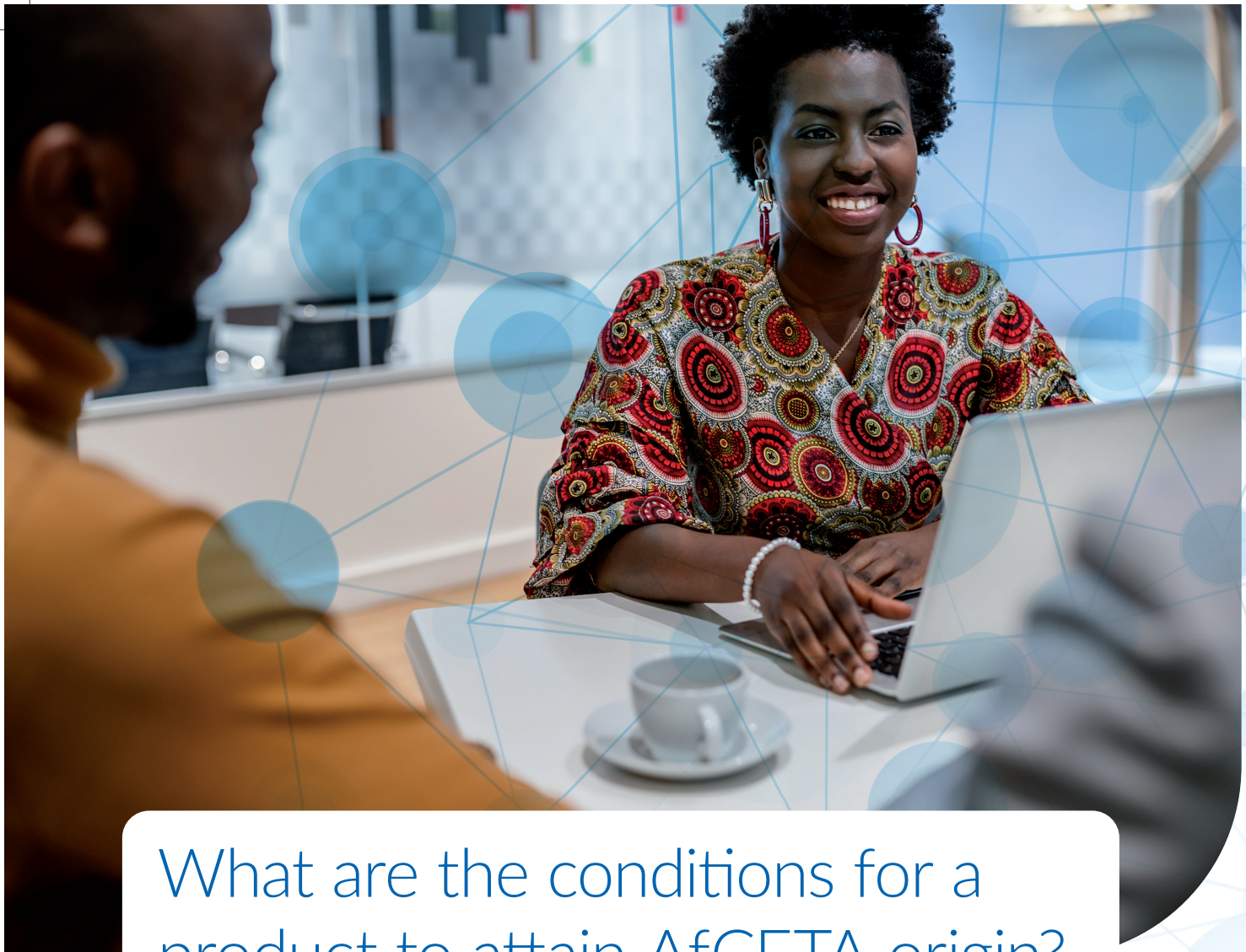
**(a) 'Certificate of Origin'** means the documentary proof of origin issued by a Designated Competent Authority, confirming that a particular Product complies with the origin criteria applying to preferential trade under the Annex Protocol on Trade in Goods and in accordance with paragraph 1(a) of Article 17 of this Annex,

**(b) Chapter** means the two digit Chapters code used in the nomenclature which makes up the Harmonised System;

**AFRICAN CONTINENTAL FREE TRADE AREA:  
APPENDIX TO ANNEX 2 ON RULES OF ORIGIN**

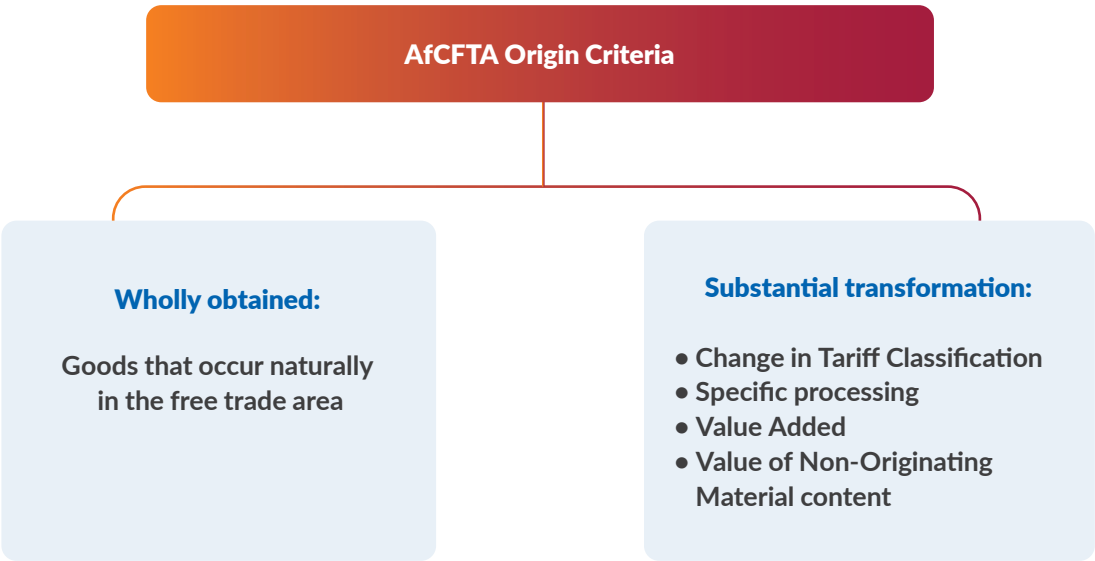
1 HS Chapter. Heading or Sub- Heading	2 Description of Product	3 Working or processing carried out on non-originating Materials, which confers originating status
Ex-Chapter 13	Lac; gums, resins and other vegetable saps and extracts	Manufacture in which all Materials used must be wholly obtained
13.02	Vegetable saps and extracts; pectic substances, pectinates and pectates; agar-agar and other mucilages and thickeners, whether or not modified, derived from vegetable Products	Manufacture from Materials of any Heading other than that of the Product
Chapter 14	Vegetable plaiting Materials; vegetable products not elsewhere specified or included	Manufacture in which all Materials of this Chapter used must be wholly obtained

Fulfilling the conditions set out in Annex 2 and Appendix IV gives your company an opportunity to benefit from the AfCFTA preferential treatment. Products that are considered as of AfCFTA origin can be imported into a State Party with a preferential treatment, i.e. the importer pays a lower import duty or is free from paying import duties for these products.



# What are the conditions for a product to attain AfCFTA origin?

For goods to attain the AfCFTA origin qualification, one of the two main origin criteria should be fulfilled. See below:





## Examples of AfCFTA rules of origin criteria:

i. Wholly Obtained

### i. Wholly Obtained

A farmer in AfCFTA State Party A produces tomatoes from seeds imported from the non-AfCFTA State Party B. The tomatoes are supplied to a supermarket in another AfCFTA State Party C.



Are the tomatoes considered to be originating in State Party A?



**Yes.** The tomatoes are originating in State Party A as they are grown or harvested there (Article 5 paragraph 1(b) of AfCFTA Annex 2 on rules of origin).

ii. Sufficiently Worked or Processed Products

### ii. Sufficiently Worked or Processed Products (Article 6 of Annex 2 on RoO)

Sufficiently processed goods are made from raw materials or semi-finished materials imported from countries that are not a party to the AfCFTA Agreement.

#### a) Change in Tariff Classification

The AfCFTA tariff classification condition is fulfilled when a company manufactures a product with raw materials from a tariff code that is different from that of the final product as reflected in the example below:

#### Change in Tariff Classification



Animal fat HS 15.06; perfume HS 33.02; disodium.... HS 38.24



Soap bars HS 34.01

#### Rule

#### Chapter 34

Soap, doeorganic 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

Manufacture from Materials of any Heading other than that of the Product or

The text in green above reflects the rule for soap products. In the example, all raw materials are found in different headings than the final product.

### b) Specific Processes

A product is considered as originating when the manufacturing operation described for this product in Annex 2 was carried out.

Example : Diamonds of heading 71.02, where the rule of origin is “Manufacture from unworked, precious or semi-precious stones”.



If a country imports raw diamonds and further process them (polishing them etc.), the final product will be considered as originating according to the AfCFTA rules of origin.

### c) Value Added

A product is considered as originating when the value of the product is increased up to a specified level expressed by an ad valorem percentage, i.e. a minimum requirement of domestic content.

The applicable threshold can be found in the list of product specific rules of origin in Appendix IV.

### d) Value of Non-Originating Material content

The value of non-originating content conditions are based on a set threshold for raw materials from non-AfCFTA countries allowed to be used in the production of an AfCFTA originating product.

#### Value of Non-Originating Materials



Catalytic converters (8421.39) for motor vehicle mufflers are produced in AfCFTA State Party using parts (8421.39) from the Non-AfCFTA State Party. The value of these parts is 30% of the ex-works price of the converter.



**Is the final product originating in AfCFTA State Party?**



**Yes**

**Rule** for **HS 8421.39** in Appendix IV of Annex 2 states:

*“Value of Non-Originating Materials should not to exceed **60 %** of the Ex-Works Price”*

**Ex-84.21**

Centrifuges, including centrifugal dryers: filtering or purifying machinery and apparatus, for liquids or gases

Manufacture in which the value of the Materials used does not exceed 60 or the ex-works price of the product

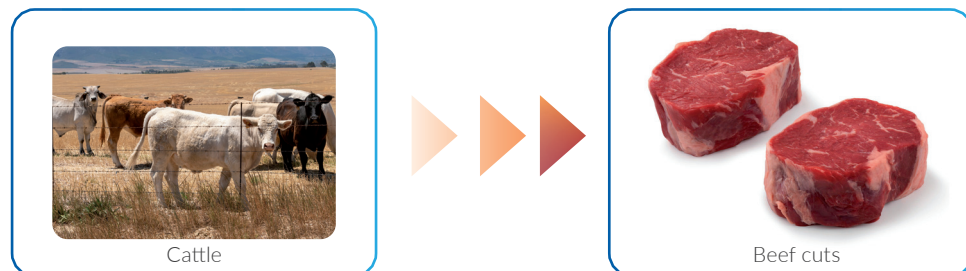
### iii. Minimal operations (insufficient working or processing),

In order to ensure that only manufacturing processes that fall within the range of substantial transformation count as origin conferring processes, some operations are considered to have only minor effects on the final goods. These minor operations do not confer origin even where the applicable rule included in the list of product specific rules of origin would have been satisfied.

The following are some examples of the minimal processes reflected in AfCFTA Annex 2 on Rules of Origin:

- simple packaging operations, such as placing in bottles, cans, flasks, bags, cases, boxes, or fixing on cards or boards
- sharpening, simple grinding, or simple cutting;
- simple ironing or pressing operations;
- simple painting or polishing operations;
- slaughtering of animals.

#### Example: slaughtering of animals



An abattoir in AfCFTA State Party Y imports cattle from non-AfCFTA State Party X and exports beef cuts to various butcheries in AfCFTA State Parties.



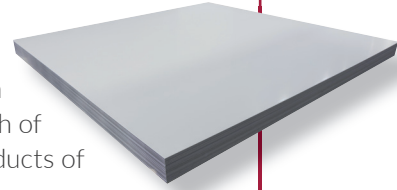
**Do these beef cuts qualify for preferential treatment under the AfCFTA Agreement?**



**No.** According to Article 7 (p) of Annex 2 on AfCFTA Rules of Origin the beef cuts are considered as insufficiently processed and therefore they are not considered as originating in the AfCFTA State Party.

**Example: sheets of stainless steel**

A manufacturer in a State Party imports sheets of stainless steel of Heading 72.19 (Flat-rolled products of stainless steel, of a width of 600 mm or more) and cut these into sheets of a width of 300 mm each which are classified in HS 72.20 (Flat-rolled products of stainless steel, of a width of less than 600 mm).



Do these smaller cuts qualify for preferential treatment under the AfCFTA Agreement?



**According to the product specific rule of origin for HS Chapter 72**, the products are originating if they are manufactured from materials classified in another heading than the one where the final product is classified, i.e. “manufacture from materials of any heading other than that of the product”. However, according to Article 7 (i) of Annex 2 on AfCFTA Rules of Origin, simple cutting is a minimal operation that does not confer origin to the final product. A process is simple if it requires neither special skills, nor machines, apparatus nor tools especially produced or installed for those operations are required for their performance or when those skills, machines, apparatus or tools do not contribute to the product’s essential characteristics or properties.

## Are there any flexibilities on AfCFTA rules of origin?

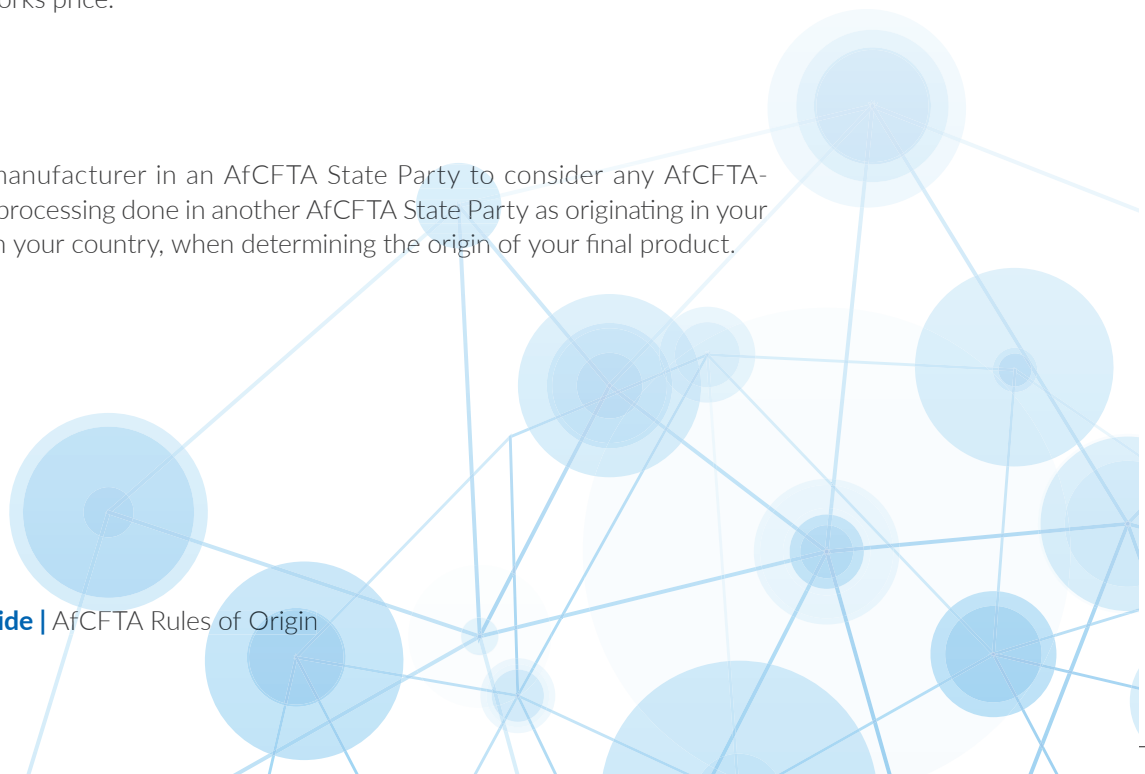
The AfCFTA has the following rules of origin flexibility:

### a) Tolerance

The tolerance rule allows the use of non-originating materials that are normally prohibited by the product-specific rule of origin up to a certain percentage. In the AfCFTA Agreement the tolerance is **15%** of the product’s ex-works price.

### b) Cumulation

Cumulation allows you as manufacturer in an AfCFTA State Party to consider any AfCFTA-originating materials used or processing done in another AfCFTA State Party as originating in your own country or carried out in your country, when determining the origin of your final product.



# Your product also has to satisfy all other applicable rules of origin requirements

The product must meet all other applicable rules of origin requirements in Annex 2 of the Protocol on Trade in Goods, such as the principle of territoriality, and rules on direct transport.

## 1 Principle of territoriality



The principle of territoriality requires that the production process must be carried out without interruption in the free trade area. A product shall be considered as originating only if it does not undergo further production or other operations outside the territories of the State Parties, and remains under customs control while outside the territories of the State Parties.

## 2 Direct transportation



A product originating in the State Parties will only receive preferential tariff treatment at importation if it is transported directly between the territories of the State Parties or through those territories.

Transportation of originating products may take place through other State Parties with transshipment or temporary storage in those territories, provided that the products remain under customs control and do not undergo any operations other than unloading, reloading or any other operations to ensure their preservation.

## Who can help determine if your product qualifies?



Relevant competent authorities in AfCFTA State Parties can guide you on [AfCFTA legal instruments](#). A list of competent authorities can be found on AfCFTA's official website.

It is also important to take part in rules of origin capacity-building workshops, including those conducted by [EU-WCO Rules of Origin Africa programme](#).



# How do you prove the origin of your AfCFTA products?

There are different types of proof of origin that can be used to prove the origin of your goods when exporting to other AfCFTA State Parties:

- a. an **official AfCFTA Certificate of Origin** issued by the exporting country's customs authorities or
- b. a **self-declaration by approved exporters** using an "origin declaration" or an "invoice declaration"
- c. a **self-declaration by an exporter** who is not an approved on a **limited invoice amount of 5000 USD**

The proof of origin is **valid for 12 months** from the date of issue and must be submitted to Customs in the importing country within this period.

See an AfCFTA Certificate of Origin sample below:

Form for a AfCFTA Certificate of Origin (Article 17(1)(a))												
AfCFTA Certificate of Origin		Competent Authority Ref	Country Code		Serial No.							
1. Exporter (Name & Address)		2. Consignee (Name & Address)		3. For Official Use Only								
4. Particulars of Transport												
5. Marks & No.s	6. Invoice No. & Date	7. No. & Kind of Package	8. Description of Goods	9. Gross Weight	10. Suppl. Quantity	11. HS Code	12. Origin Criterion					
13. Declaration By The Exporter or Authorized Representative			14. Certification of Origin		15. For Customs purposes							
I, the undersigned, declare that the Goods described above meet the conditions required for the issue of this Certificate of Origin, and are originating in:			Origin Stamp		Export Document No.:							
(Country)			(Designated Authority)		Customs Office & Date							
Place and date:			(Full Names)		(Full Names)							
(Full Names and Designation)			(Signature)		(Signature)							
(Signature)												

29

The certificate should be signed by the competent authority and stamped with a special verification stamp.

Below is the Origin Declaration to be made out on a commercial document:

**Appendix II**  
**AFRICAN CONTINENTAL FREE TRADE AREA**  
**ORIGIN DECLARATION**  
(Article 19(1)(b))

*The text of the Origin Declaration must be made as given below:*

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.)

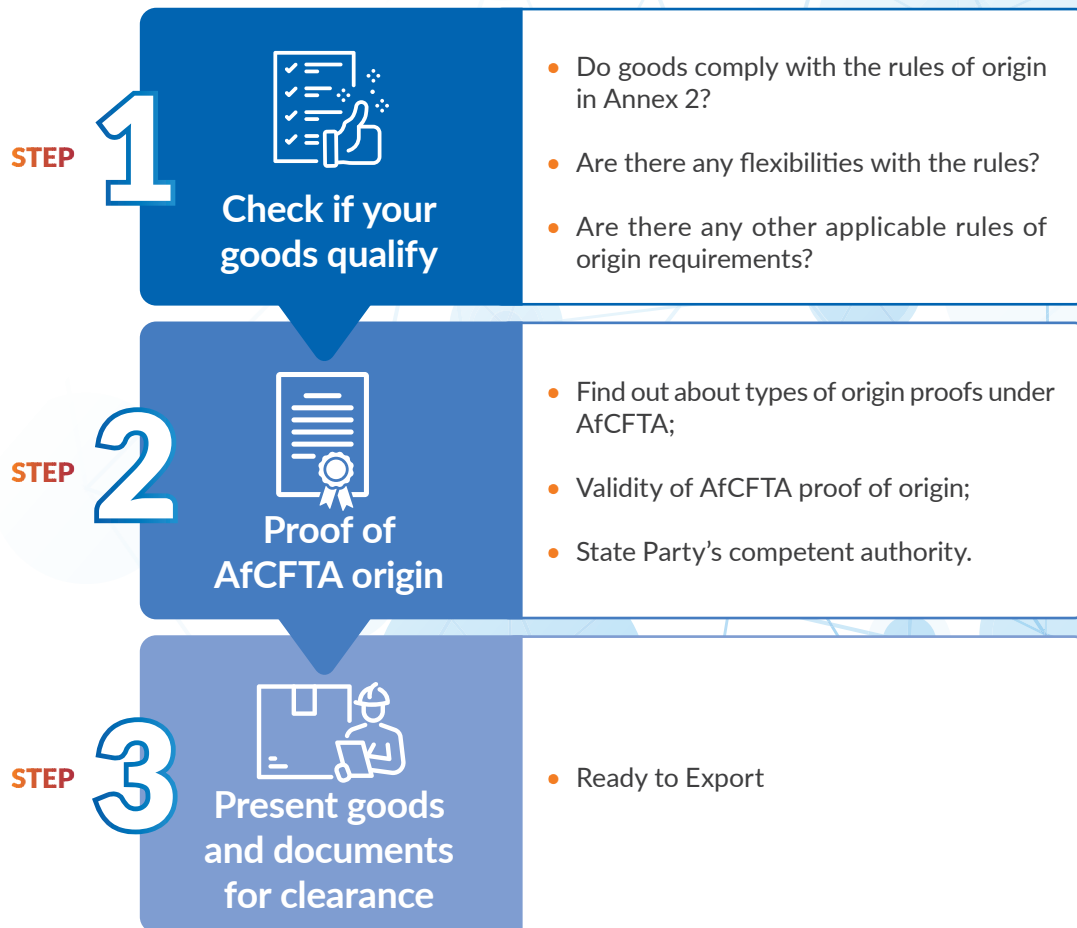
Place and Date of Declaration

Authorised Exporter's Signature

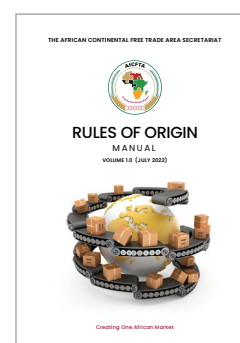
31

The origin declaration does not need to be signed by the competent authority or stamped with a special verification stamp.

# What are the steps to paying AfCFTA lower duties?



For further information you can consult the [AfCFTA Manual on Rules of Origin](#) on the AfCFTA Secretariat's website.





Rue du Marché 30, B-1210  
Brussels, Belgium  
info@wcoomd.com

#WCOOMD  
www.wcoomd.org



Funded by the  
European Union