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INFORMATION

Updates on Process for Obtaining Preferred Tariffs in the ASEAN Region Based on the Agreement of 35th ASEAN Free Trade Area (AFTA)

Minister of Trade, Muhammad Lutfi issued the Ministry of Trade Regulation No. 32 Year 2022 concerning Provisions on Origin of Indonesian Goods and Provisions for Issuance of Documents of Origin for Goods Originating from Indonesia based on the ASEAN Trade in Goods Agreement. This regulation is effective on **May 1st, 2022** and was carried out based on an agreement at the 35th ASEAN Free Trade Area (AFTA) Council meeting last year to change the procedure for issuing certificates of origin (Operational Certificate Procedure/OCP) for the ASEAN Trade in Goods Agreement (ATIGA) scheme. The provisions regarding ATIGA agreement aim to facilitate the process of obtaining preferential tariffs in the ASEAN region.

ATIGA's scope of changes includes:

1. Changes in Operational Certificate Procedure/OCP that have an impact on the procedure for filling out Certificate of Origin (SKA) form D
2. Changes in Operational Certificate Procedure/OCP also have an impact on the provisions on overleaf notes, including the new regulation on provisions for Back to Back Certificate of Origin and SKA issued retrospectively

During the transition period, ASEAN member countries can use the old SKA form D with printed overleaf notes can still be used until October 31st, 2022 subject to changes in ATIGA's OCP. The printed overleaf notes can be accessed on *Page 147* of the Ministry of Finance Regulation No 229/PMK/2017 in link [here](#). SKA Form D is a Certificate of Origin for preferential goods which provides facilitation for reducing import duty rates to even 0% in export destination countries. This means that buyers will enjoy a reduction in import duty rates in their country even up to 0% so that products will have more competitive prices due to lower import duty rates. Most export products have received a 0% preferential tariff.

With the enactment of this regulation, Ministry of Trade Regulation No. 71 Year 2020 concerning Rules of Origin of Indonesia and Provisions for Issuance of Documents of Origin for Indonesian Goods in the Asean Trade in Goods Agreement **is revoked and declared invalid**.

For your reference, please check the Ministry of Trade Official Press Release of Preferred Tariffs in the ASEAN Region in the link [here](#).

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