

**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 standardise the certification procedure 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.

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/premises under monitoring and control of the Royal Malaysian Customs Department (RMCD) / Port Authority / Port Operator while being in transit / transshipped 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, relabeling, 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 1**.
- 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. Monitoring sheet for available stock must be submitted with NPCO application (**ANNEX 2**).
- 4.5. The period of validity of the B2B NPCO should not exceed the period of validity of the first exporting country's 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 (original)	
(b)	Invoice	
(c)	Packing List	
(d)	Bill of Lading / Delivery Note	

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

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

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

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

*Refer **Annex 3** for Letter of Undertaking standard template

Letter of Undertaking shall bear:

- a) 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;
- b) Commitment that applicant shall be fully accountable and liable to the details or information declared by the applicant during application for B2B NPCO; and
- c) 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.

EXAMPLE MONITORING SHEET FOR APPLICATION OF B2B NPCO (PARTIAL SHIPMENT)

NOTE:

- TOTAL QUANTITY IMPORTED AND EXPORTED MUST BE CLEARLY INDICATED. The total quantity to be re-exported under the partial shipment should not exceed the total quantity as indicated from the previous country
- You may choose to use your format provided the goods movement is clear

Date	Origin Country CO Ref.	Invoice Ref. No. (Import/Export Inv.)	Qty-In	Qty-Out	Balance	Remarks
29 Oct 2016	TWN-012-56987 A		500		500	From Taiwan
02 Nov 2016		ACC-MYJB-441235		250	250	Export to France
06 Nov 2016		ACC-MYJB-442346		70	180	Export to Morocco
08 Nov 2016		ACC-MYJB-442679		30	150	Export to USA
	TOTAL		500	350		

STANDARD TEMPLATE OF LETTER OF UNDERTAKING
(to be typed under company letterhead)

Date:

Executive Director
Malaysian International Chamber of
Commerce and Industry (MICCI)
8th Floor, Block C, Plaza Mont'Kiara
2 Jalan Kiara, Mont'Kiara
50480 KUALA LUMPUR

Dear Sir,

Letter of Undertaking

Invoice no. & Date:
Mother Vessel:
Feeder Vessel:

ETD:
Port of Loading:
Port of Discharge:

In consideration of your issuing, endorsing or certifying at our request for Back-to-Back / Transshipment Non-Preferential Certificate of Origin (B2B NPCO), commercial invoices, packing lists and all other documents whatsoever required of you by us in respect of the above shipment, we:

- a) hereby assure that the goods to be re-exported have not gone any substantial processes that may compromise the origin status of the first exporting country, other than the permissible activities such as storing, break-bulking, repacking, relabeling, preserving and transportation/logistics activities such as unloading and loading;
- b) hereby undertake to fully indemnify you and to keep you fully indemnified against all actions, suits, proceedings, claims, expenses, loss, damages, costs, charges and liabilities whatsoever which may be taken or made against you or incurred or become payable by you by reason of or on account of or arising out of your issuing, endorsing or certifying the aforesaid documents.
- c) hereby commit that we 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 us during application for B2B NPCO; and
- d) hereby 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 us during application for B2B NPCO.

We declare and confirm that the information contained in all our applications for any such certificates or certifications as referred to the above is true and correct.

Yours faithfully,

(Signature of Authorized Signatory)

Full Name:

Designation:

Company's Official Rubber Stamp: