4. The "accounting segregation" method shall be recorded, applied and maintained in accordance with generally accepted accounting principles applicable in the customs territory of the Party in which the product is produced. The method chosen shall:

(a) permit a clear distinction to be made between originating and non-originating products acquired or kept in stock; and

(b) guarantee that no more products receive qualification as originating products of a Party than would be the case if the identical and interchangeable originating and non-originating products used as materials had been physically segregated.

5. A Party may require that the application of the method for managing stocks as provided for in this Article be subject to prior authorisation.

Section 3
Territorial Requirements

Article XIII
Principle of Territoriality

1. Except as provided for in paragraph 1 of Article V of this Annex, the conditions for qualification as an originating product of a Party set out in Section 2 shall be fulfilled in the customs territory of the Party without interruption.

2. Where originating products of a Party exported from the customs territory of a Party to a non-Party return to the customs territory of the Party, they shall be considered as non-originating, unless it can be demonstrated to the satisfaction of the competent governmental authority of the Party that:

(a) the returning products are the same as those exported; and

(b) the returning products have not undergone any operation other than splitting up of the consignment, and unloading, reloading and any other operation designed to preserve them in good condition while being outside the customs territory of the Party.

Article XIV
Consignment Criteria

1. An originating product of a Party shall be deemed to meet the consignment criteria when it is:

(a) transported directly from the customs territory of the exporting Party; or