

Information Session on proofs of origin and certificates of origin

Measuring the transparency and trade facilitation of origin certification: A methodology and way forward

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Objective of the work in progress

- Why need for transparency and trade facilitation of proofs or origin and COs ?
- There are no multilateral disciplines
- There is proliferation of Proofs and COs that is a cost to business and international trade
- There is an obvious case to make progress in regulating the sector
- Identify best practices and lessons learned
- Coding the different practices to measure transparency and predictability

Agenda

- Measuring transparency: The methodology
- Proofs of origin and COs for LDCs under DFQF
- Proofs of origin and COs for LDCs under ASEAN and ASEAN Dialogue-Partner FTAs
- Proof of origin and COs for non preferential origin
- Conclusion & way forward

Measuring transparency: The methodology

...starting from the most basic requirements

CO	Certificate of Origin
CO1	Paper free
CO2	Specific paper quality
CO3	With stamps only
CO4	With stamps and signatures

...to the most complex

TC	Third country invoicing
TC1	3 or less conditions
TC2	More than 3 conditions

& matching them with WTO Notifications made under CRO for DFQF and Non Pref./ available info for ASEAN FTAs

Measuring transparency: The methodology

- We identified 38 codes in total to classify proofs and COs procedures
- Some countries/FTAs apply detailed proofs and COs requiring more extensive coding than others.
(Ex: Origin criteria box to be filled in CO ranges from three to nine options)
- Additional elements indicated in the CO may be
 - Third Country Invoicing
 - Back-to-Back Issuance
 - Cumulation

Coding Proofs and COs for LDCs under DFQF :How?

Australia	Canada GSP	China	EU GSP	Eurasian Customs Union	India	Japan GSP	Korea
No prescribed form	Exporter self-certification/ Form A/ CO for textile and apparel goods	Form for SPT	Form A/ REX	Form «A»	CO DF Tariff Preference Scheme for LDC	Form A	CO required
NZ	Norway	Switzerland	Thailand	US - GSP	US - AGOA	US-CBI	US-CBTPA
Not required, declaration if requested	Form A	Form A/ Invoice Declaration/ Declaration of Origin	Form DFQF	CO not required, declaration if not WO	CO only for textiles; other goods declaration if not WO	Not required	CO only for textile and apparel

Proof of origin and COs for LDCs under DFQF -selected countries

Agreement		Canada GSP	China	EU GSP/EBA	India	Japan GSP	Korea	US GSP	US AGOA	US CBTPA
Indicator	Description/ Form	exporter self-certification ; Form A; CO for textile/apparel goods	Form for SPT	Form A/ REX	CO DF Tariff Preference Scheme for LDC	Form A	CO required	CO not required, Declaration if not WO	CO only for textiles, other goods Declaration if not WO	CO for textile and apparel
CO1	Paper free	NA	NA	REX	NA	NA	?	NA	NA	NA
CO2	Specific paper quality	NA	NA	A	NA	NA	?	NA	NA	NA
CO4	With stamps and signatures	NA	A	NA	A	A	?	NA	NA	NA
CO5	13 or less entries	NA	NA	A	A	A	A	A	NA	A
CO6	More than 13 entries	NA	A	NA	NA	NA	NA	NA	A	NA
CO7	Number of copies	NA	1	NA	3	NA	?	NA	1	NA
CO8	5 or less origin indications in CO box	NA	A	A	A	A	A	NA	NA	A
CO12	Cumulation	NA	NA	NA	NA	A	?	NA	NA	NA
CO13	HS entry	NA	A	A	A	A	?	NA	A	A
EXA	Exporter declaration for all values	A	NA	A	NA	NA	?	A	A	A
DA	Designated Authority	NA	A	A	A	A	?	NA	NA	NA
RE	Registered exporter	NA	NA	A	NA	NA	?	NA	NA	NA
RK	Record Keeping	A	?	?	A	NA	?	A	A	A

Proof of origin and COs for LDCs under ASEAN and ASEAN Dialogue-Partner FTAs

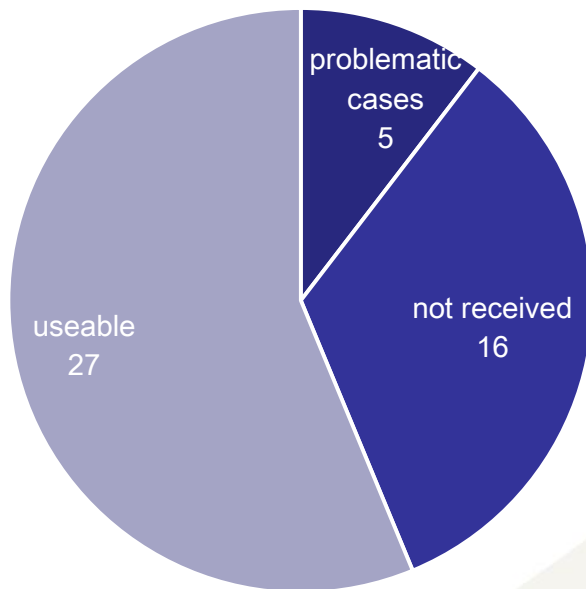
Agreement		AANZFTA	ACFTA	AFTA	AJCEP	AKFTA	ATIGA
Indicator	Description/Form	Form AANY	Form E	Form AI	Form AJ	Form AK	Form D
CO1	Paper free	NA	NA	NA	NA	NA	NA
CO2	Specific paper quality	NA	A	NA	NA	NA	NA
CO4	With stamps and signatures	A	A	A	A	A	A
CO5	13 or less entries	A	A	A	A	A	A
CO7	Number of copies	2	2	3	2	2	2
CO9	More than 5 origin indications in CO box	A	NA	NA	A	A	A
CO10	Indication of third country invoice	A	A	A	A	A	A
CO11	Indication of back to back	A	NA	A	A	A	A
CO12	Cumulation	A	NA	A	NA	NA	A
CO13	HS entry	A	A	A	A	A	A
EXM	Exporter declaration only for low value shipping	A	A	NA	NA	NA	A
DA	Designated Authority	A	A	A	A	A	A
APP	Approved exporter	NA	NA	NA	NA	NA	NA
RE	Registered exporter	NA	NA	NA	NA	NA	NA
BB	Back to back	A	NA	A	A	A	A
TC1	Third country invoicing / 3 or less conditions	A	A	A	A	A	A
RK	Record Keeping	A	A	A	A	A	A

Proofs of origin and COs for LDCs :Lessons learned and initial findings

- Improved quality of notifications following introduction of template in 2016, following the Nairobi Decision
- Initial results shows less requirements for proofs of origin and COs under DFQF compared to ASEAN FTAs (only about half of the codes are applicable)
- Additional codes concerning COs in ASEAN FTAs Agreements (Third Country Invoicing, Back-to-Back Issuance)
- Are these additional codes trade facilitating and user friendly to business?

Proofs and COs for non-preferential origin

Legislation non-preferential origin
(notified by 48 members)



Problems:

- Readability/ legibility
- Laws exclusively referring to own origin certification, not requirements for import
- Only parts of legislation received

Additional challenges:

- Notification in original language
- Length of legislation received ranges from 1 to over 1000 pages

Proofs and COs for non-preferential origin

Indicator/ Country	Description	Armenia	Colombia	EU	Georgia	Japan	Russian Federation	South Africa	United States
MOC	Main Origin Criteria	A	NA	A	A		A	A	
MOC1	VA Percentage Criterion	A	NA	NA	NA		NA	A	
MOC2	VM Percentage Criterion	A	NA	NA	NA		NA	NA	
MOC3	CTC (usually referring to 4 digit, if 6 digit indicated separately)	A	NA	NA	A		NA	NA	
MOC4	Other	NA	NA	A	NA		A	A	
PSRO	Product specific origin criteria	NA	NA	A	NA		NA	NA	
PSRO1	Less than 50 PSRO	NA	NA	NA	NA		NA	NA	
PSRO2	50 or more PSRO	NA	NA	A	NA		NA	NA	
CO	Certificate of Origin	A	A	(A)	A		(A)	?	
CO1	Specific CO format	NA	NA	A	NA		NA	?	
CO2	Stamped CO	NA	A	A	A		(A)	?	
CO3	CO only for specific goods	NA	NA	A	NA		NA	?	
CO4	CO only for specific values	NA	NA	NA	A		NA	?	
CO5	Exporter Declaration	NA	NA	NA	NA		(A)	?	
V	Verification	?	A	A	NA		A	?	

[Link to database](#)

Conclusion & way forward

- Template for notification on Proofs or origin and COs for non-preferential Rules of origin and preferential (FTAs) may be extremely helpful following the DFQF experience of LDCs
- Next step: creation of Index for measuring:
 - a) Transparency
 - b) Trade- Facilitation(values from 1 to 7 are assigned according to the restrictiveness of indicator; 7 - most restrictive)

Indicator	Description/Form	Assigned Value
EXA	Exporter declaration for all values	1
RE	Registered exporter	2
CO1	Paper free	3
CO2	Specific paper quality	4

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