



# **Electronic CO Implementation**

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1

# Definitions

## Rules of origin & certificate of origin

### Rules of Origin

#### **WCO RKC**

#### **Specific Annex K E2 / F3**

The specific provisions,  
Developed from principles  
established by national  
legislation or international  
Agreements  
("origin criteria"), applied  
by a country to determine  
the origin of goods.

### Certificate of Origin

#### **WCO RKC**

#### **Specific Annex K E3 / F1**

the country in which  
the goods have been  
produced or manufactured,  
according to the criteria  
laid down for the purposes  
of application of the  
customs tariff, of  
quantitative restrictions or  
of any other measure  
related to trade.

## Preferential & non-preferential

### Preferential CO

A preferential certificate of origin (CO) is used to attest that an origin of a good is from a certain country which is part of a preferential trade regime so that preferential treatments can be applied for the good.

### Non-preferential CO

A non-preferential CO also attests origin of a good though not from a country that is entitled for a preferential treatment. In many cases it is remnant of various trade Agreements.



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## Certificate of origin

## Authority based CO

### **Definition**

An authority-based CO is issued by exporting side of an issuing authority which certifies origin of a good that the exporter declared according to rules of origin. The authorities can vary but, in many cases, they are a chamber of commerce, a ministry of trade/commerce and a customs administration.

## Self certification (1/2)

### Approved exporter based

A good's producer, manufacturer or an exporter can certify origin of a good after getting an approval on competence of itself by an authority for issuance of a self-certification.

### Registered exporter based

A self-certifier only needs to register itself to a competent authority for issuance of a self-certification, but it does not require to undergo verification process to obtain self-certifier status.



## Self certification (2/2)

### Fully exporter based

No authority is involved for verification of the certification, thus the certification is mostly for manifestation of origin information on a particular good by an exporter.

### Importer based

An importer declares origin of a good to an importing authority thus the importer bears the sole Responsibility of the good for its origin.

## Comparing different CO issuances

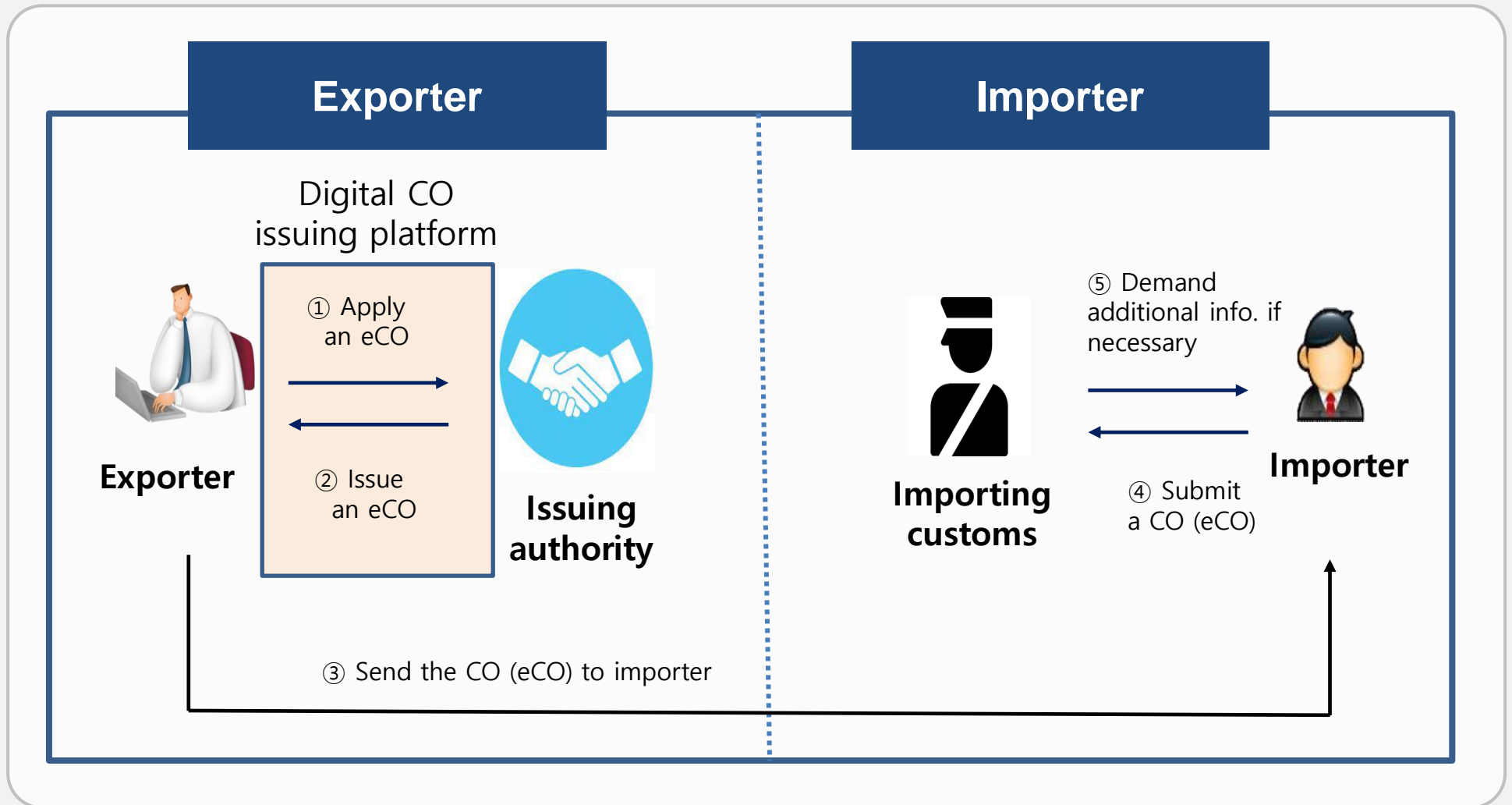
		<b>Authenticity</b>	<b>Required time</b>	<b>Convenience</b>	<b>Cost</b>
<b>Authority based</b>		High	High	Low	High
<b>Self Certifica- tion</b>	<b>Approved Exporter</b>	Medium-high	Medium-high	Medium-low	Medium
	<b>Registered Exporter</b>	Medium	Medium-low	Medium-high	Medium-low
	<b>Fully exporter based</b>	Low	Low	High	Low
	<b>Fully impor- ter based</b>	Low	Low	High	Low



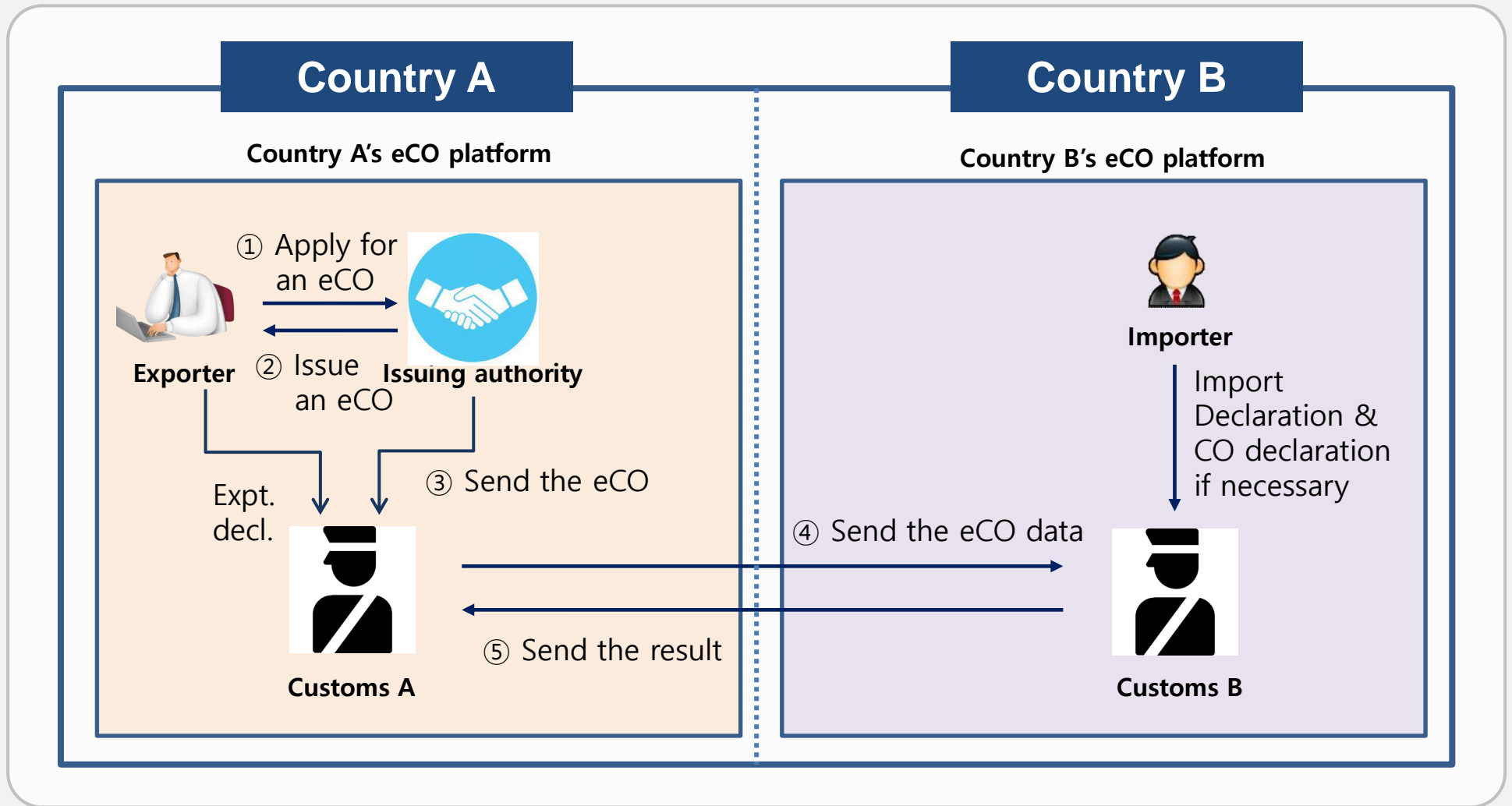
**3**

## Electronic certificate of origin

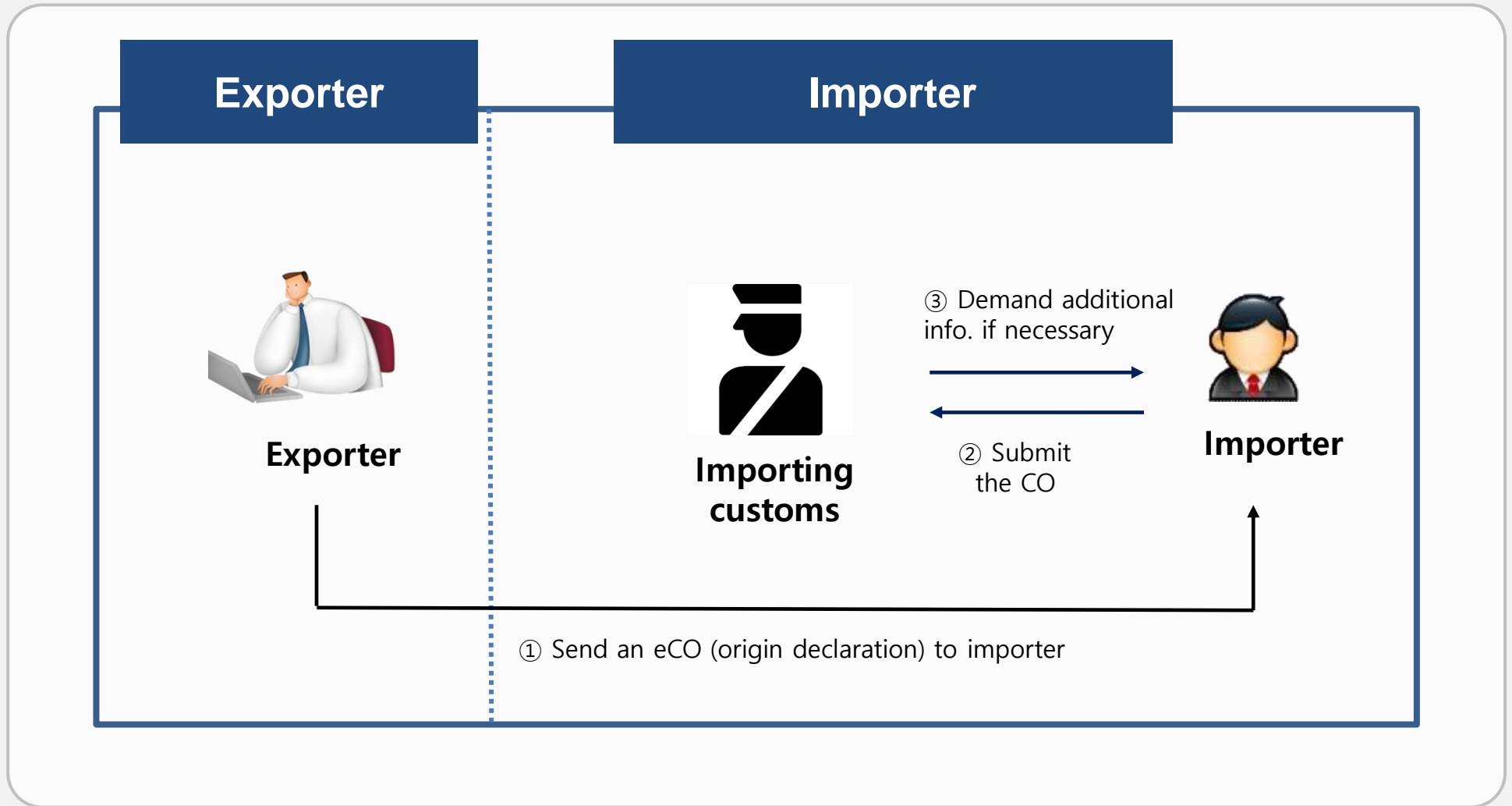
## Electronic CO issuance



## Authority based cross-border exchange



## Self certification



## Benefits

### Organization integrity

- Reduces chance for human contact between an applicant and an issuer/auditor
- Unauthorized alteration of an electronic CO is relatively more difficult

### Work efficiency

- Digital generation, transmission, reception of an electronic CO is proven more efficient than a paper CO
- 24/7 operation is possible where it is allowed

### Economic benefits

- Electronic document management is more cost effective compared to its paper counterpart
- Cost for CO verification is significantly lower when there is mutual recognition of a CO between im/exporting countries



**Thank you**

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