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Our Ref: 33 99 02 V4
Circular No.: 21/2010
Date: 23 Dec 2010



To: All Manufacturers and Traders
registered with Singapore Customs

IMPLEMENTATION OF THE REVISED ASEAN CHINA FREE TRADE AREA OPERATIONAL CERTIFICATION PROCEDURE

This Circular outlines the changes to the current ASEAN-China Free Trade Area (ACFTA) - Operational Certification Procedure (OCP) which will be implemented on **1 Jan 2011** for trade amongst China, Brunei, Malaysia, Thailand, Vietnam and Singapore only.

Brief Information on the Revised Operational Certification Procedure

- Please note that the revised changes apply to those countries mentioned in the above paragraph only and they do not apply to the other ASEAN Member States like Cambodia, Indonesia, Laos, Myanmar and Philippines, as these countries will only be implementing the revisions at a later date.
- The revised ACFTA OCP is an improvement over the previous OCP. Some of the improvements included provisions for third party invoicing and issuance of back-to-back Form E otherwise known as movement certificate (MC) under this Agreement.
- The full text of the ACFTA OCP can be downloaded at the following website maintained by ASEAN Secretariat: <http://www.asean.org/19105.htm>.

Submission of ACFTA Form E via TradeNet®

- As per current practice, you must declare the Certificate Type as "19" in your application for Certificate of Origin (CO) via TradeNet® for goods of Singapore origin.
- If you are applying for Back-to-Back ACFTA Form E otherwise known as MC, you need to select the Certificate Type "20" to indicate that you are applying for a Back-to-Back ACFTA Form E CO in the TradeNet® software since you are re-exporting ACFTA origin goods to another ACFTA member state. While the usual documentary requirements for back-to-back CO applications will apply, you will also need to indicate additional information such as the name of the original issuing authorities that issued the original CO, the date of issuance and reference number of that CO in Box No. 7 in addition to the description of goods.

*Our Vision: A leading Customs that advances Singapore's economy
by assuring the integrity of the trading system*

Revised Form E

8. The revised Form E CO comprises one original copy and two copies. Upon approval, Singapore Customs will retain the Duplicate copy of Form E and return the Original and Triplicate to the exporter. The exporter must sign all the copies of the revised Form E before dispatching the Original to his importer. This CO is valid for one (1) year from the date of issuance and the importer shall present the Original copy to his Customs Authority upon clearance of goods at the port within the validity period of the CO.

9. Please note that the new Form E (see **Annex A**) has an additional Box 13 which may be applicable to you. Exporters are required to indicate a tick (✓) in the appropriate checkbox in the following scenarios.

a. For invoices which are issued by another party in a third country, “the Third Party Invoicing” checkbox must be indicated with a tick (✓) and the name and country of the company that issued the invoices shall be indicated in box 7.

b. For Back-to-Back Form E (MC), the “Movement Certificate” checkbox shall be indicated with a tick (✓). The name of original issuing authorities of the first exporting country, date of the issuance and the reference number of the original Form E must also be indicated in box 7.

Summary of the Changes and Impact to Existing Manufacturers and Traders

10. The following are the some of the changes brought about by the implementation of the ACFTA revised OCP for those countries mentioned in paragraph 1 above and the corresponding impact:

	Party Involved	Changes Made	Impact
i	Exporters and manufacturers	Record keeping period for documents relating to exports under the ACFTA	Exporters and manufacturers will need to maintain their record relating to preferential exports under the ACFTA for 3 years.
ii	Exporters and Traders	Introduction of third party invoicing	Exporters and traders may present a third party invoice for clearance of goods. *Only applicable for members states who had ratified the revised OCP.
iii	Exporters and Traders	Introduction of the issuance of back to back Form E (MC) under this agreement.	Exporters and traders may declare a back-to-back Form E (MC) for goods originating from other parties under the Agreement provided that : i) The importer and exporter in Singapore is the same entity. ii) A valid Form E issued by the country of origin is presented. iii) The quantity does not exceed the quantity declared in the original

			<p>Form E issued in the first exporting country.</p> <p>iv) The validity period for the movement certificate will be the same as the original Form E issued in the first exporting country.</p> <p>v) There should not be any further processing of the goods while it is in Singapore.</p> <p>vi) The goods are to be kept in our bonded premises or Free Trade Zones.</p> <p>vii) The name of the original issuing authority in the first exporting country, date of issuance and the reference number of the certificate of origin must be indicated in box 7 of the back-to-back Form E (MC).</p> <p>*Only applicable for members states who had ratified the revised OCP.</p>
iv	Exporters and Traders	Form E that are issued “Issued Retroactively”	The Form E will only be required to be ticked ‘Issued Retroactively’ if it was issued three (or more) days after the shipment date.
v	Exporters and Traders	New Form E (see Annex A)	<p>Applicants will be required to tick the relevant tick boxes of the new Form E in accordance to the instructions provided on the overleaf notes.</p> <p>Applicants can declare up to 20 multiple items in each Form E.</p> <p>*Member states such as Cambodia, Indonesia, Myanmar, Laos and Philippines will be using the old Form E until they had ratified the revised OCP.</p>
vi	Exporters	Exporters exporting to Cambodia, Indonesia, Myanmar, Laos and Philippines.	<p>As these Member States have not implemented the revised OCP, for the exports of goods, the existing Form E will continue to be used.</p> <p>If you are exporting to these countries (Cambodia, Indonesia, Myanmar, Laos and Philippines) your importer will have to present the <u>old Form E</u> in order to enjoy preferential duties for goods granted under ACFTA.</p>

			The application of back-to-back Form E (MC) and third party invoicing will not be applicable to these countries (Cambodia, Indonesia, Myanmar, Laos and Philippines).
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Enquiries

11. For enquiries, you may email to “customs_roo@customs.gov.sg”.



DAVID FOO
HEAD
TARIFFS AND TRADE SERVICES BRANCH
for DIRECTOR-GENERAL OF CUSTOMS

ORIGINAL

1. Products consigned from (Exporter's business name, address, country)		Reference No. ASEAN-CHINA FREE TRADE AREA PREFERENTIAL TARIFF CERTIFICATE OF ORIGIN (Combined Declaration and Certificate) FORM E Issued in Singapore See Overleaf Notes			
2. Products consigned to (Consignee's name, address, country)					
3. Means of transport and route (as far as known) Departure Date Vessel's name/Aircraft etc. Port of Discharge		4. For Official Use <input type="checkbox"/> Preferential Treatment Given <input type="checkbox"/> Preferential Treatment Not Given (Please state reason/s) _____ _____ _____ Signature of Authorised Signatory of the Importing Party			
5. Item number	6. Marks and numbers on packages	7. Number and type of packages, description of products (including quantity where appropriate and HS number of the importing Party)	8. Origin criteria (see Overleaf Notes)	9. Gross weight or other quantity and value (FOB)	10. Number and date of invoices
11. Declaration by the exporter The undersigned hereby declares that the above details and statements are correct; that all the products were produced in _____ (Country) and that they comply with the origin requirements specified for these products in the Rules of Origin for the ACFTA for the products exported to _____ (Importing Country) _____ Place and date, signature of authorised signatory		12. Certification It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct. _____ Place and date, signature and stamp of certifying authority			
13. <input type="checkbox"/> Issued Retroactively <input type="checkbox"/> Movement Certificate		<input type="checkbox"/> Exhibition <input type="checkbox"/> Third Party Invoicing			

OVERLEAF NOTES

1. **Parties which accept this form for the purpose of preferential treatment under the ASEAN-CHINA Free Trade Area Preferential Tariff:**

BRUNEI DARUSSALAM	CAMBODIA	CHINA
INDONESIA	LAOS	MALAYSIA
MYANMAR	PHILIPPINES	SINGAPORE
THAILAND	VIETNAM	

2. **CONDITIONS:** The main conditions for admission to the preferential treatment under the ACFTA Preferential Tariff are that products sent to any Parties listed above:
 - (i) must fall within a description of products eligible for concessions in the country of destination;
 - (ii) must comply with the consignment conditions that the products must be consigned directly from any ACFTA Party to the importing Party but transport that involves passing through one or more intermediate non-ACFTA Parties, is also accepted provided that any intermediate transit, transshipment or temporary storage arises only for geographic reasons or transportation requirements; and
 - (iii) must comply with the origin criteria given in the next paragraph.

3. **ORIGIN CRITERIA:** For exports to the above mentioned countries to be eligible for preferential treatment, the requirement is that either:
 - (i) The products wholly obtained in the exporting Party as defined in Rule 3 of the Rules of Origin for the ACFTA;
 - (ii) Subject to sub-paragraph (i) above, for the purpose of implementing the provisions of Rule 2 (b) of the Rules of Origin for the ACFTA, products worked on and processed as a result of which the total value of the materials, parts or produce originating from non-ACFTA Parties or of undetermined origin used does not exceed 60% of the FOB value of the product produced or obtained and the final process of the manufacture is performed within territory of the exporting Party;
 - (iii) Products which comply with origin requirements provided for in Rule 2 of the Rules of Origin for the ACFTA and which are used in a Party as inputs for a finished product eligible for preferential treatment in another Party/Parties shall be considered as a product originating in the Party where working or processing of the finished product has taken place provided that the aggregate ACFTA content of the final product is not less than 40%; or
 - (iv) Products which satisfy the Product Specific Rules provided for in Attachment B of the Rules of Origin for the ACFTA shall be considered as products to which sufficient transformation has been carried out in a Party.

If the products qualify under the above criteria, the exporter must indicate in Box 8 of this form the origin criteria on the basis of which he claims that his products qualify for preferential treatment, in the manner shown in the following table:

Circumstances of production or manufacture in the first country named in Box 11 of this form	Insert in Box 8
(a) Products wholly produced in the country of exportation (see paragraph 3 (i) above)	"WO"
(b) Products worked upon but not wholly produced in the exporting Party which were produced in conformity with the provisions of paragraph 3 (ii) above	Percentage of single country content, example 40%
(c) Products worked upon but not wholly produced in the exporting Party which were produced in conformity with the provisions of paragraph 3 (iii) above	Percentage of ACFTA cumulative content, example 40%
(d) Products satisfied the Product Specific Rules (PSR)	"PSR"

4. **EACH ARTICLE MUST QUALIFY:** It should be noted that all the products in a consignment must qualify separately in their own right. This is of particular relevance when similar articles of different sizes or spare parts are sent.
5. **DESCRIPTION OF PRODUCTS:** The description of products must be sufficiently detailed to enable the products to be identified by the Customs Officers examining them. Name of manufacturer, any trade mark shall also be specified.
6. The Harmonised System number shall be that of the importing Party.
7. The term "Exporter" in Box 11 may include the manufacturer or the producer. In the case of MC the term "Exporter" also includes the exporter in the intermediate Party.
8. **FOR OFFICIAL USE:** The Customs Authority of the importing Party must indicate (✓) in the relevant boxes in column 4 whether or not preferential treatment is accorded.
9. **Movement Certificate:** In cases of Movement Certificate, in accordance with Rule 12 of the Operational Certification Procedures, "Movement Certificate" in Box 13 should be ticked (✓). The name of original Issuing Authorities of the Party, date of the issuance and the reference number of the original Certificate of Origin (Form E) to be indicated in Box 13.
10. **THIRD PARTY INVOICING:** In cases where invoices are issued by a third country, "the Third Party Invoicing" in Box 13 shall be ticked (✓). The invoice number shall be indicated in Box 10. Information such as name and country of the company issuing the invoice shall be indicated in Box 7.
11. **EXHIBITIONS:** In cases where products are sent from the exporting Party for exhibition in another Party and sold during or after the exhibition for importation into a Party, in accordance with Rule 22 of Attachment A of the Rules of Origin for the ACFTA, the "Exhibitions" in Box 13 should be ticked (✓) and the name and address of the exhibition indicated in Box 2.
12. **ISSUED RETROACTIVELY:** In exceptional cases, due to involuntary errors or omissions or other valid causes, the Certificate of Origin (Form E) may be issued retroactively in accordance with Rule 11 of Attachment A of the Rules of Origin for the ACFTA. The "Issued Retroactively" in Box 13 shall be ticked (✓).