



## INFORMATION KIT FOR MANUFACTURERS APPLYING FOR A PREFERENTIAL CERTIFICATE OF ORIGIN

### Section A: Determination of the eligibility of products benefiting from a Free Trade Agreement (FTA)

Before initiating the procedures to apply for a Preferential Certificate of Origin (PCO) from Singapore Customs (found in Section C), manufacturers or exporters should always carry out the below checks first to determine if their products are able to benefit from a FTA scheme.

1. Identify the country where the products are to be exported to, and determine the relevant FTA(s) which Singapore and that country are Parties to. The list of FTAs that Singapore has signed can be found at [www.fta.gov.sg](http://www.fta.gov.sg).
2. Identify the Harmonised System (HS) Codes of the products.
3. Check that the products are included in the Tariff Schedule of the importing country for that particular FTA, as well as the concessionary tariff rates that are offered by the importing country for those products.
4. Determine the rules of origin (origin criteria) for the products by checking the list of Product Specific Rules (PSR) or the General Rule(s) which can be found in the Rules of Origin Chapter of the FTA Text. The products must meet the requisite rules of origin to qualify for preferential tariff treatment in the importing country.

### Section B: Commonly used Rules of Origin

Below are some of the rules which are commonly used in a FTA to determine the origin of a product.

#### (i) Value-added Rule

The origin is determined by the percentage of the local materials plus the direct processing cost (labour and overheads) in relation to the ex-factory cost or ex-factory price of the product.

#### (ii) Change in Tariff Classification

The origin is determined when all the non-originating materials used in the production of the product have undergone a change in tariff classification at either the two-digit level (i.e. a change in chapter); or at the four-digit level (i.e. a change in tariff heading); or at the six-digit level (a change in tariff sub-heading) of the HS Code.

#### (iii) Processing Rule

Under the process criterion, the imported materials must have undergone a specific manufacturing or processing operation to achieve substantial transformation. This result in the final product qualifying to be classified under a different tariff classification, as distinct from those classified for the imported materials.

### Section C: Application Procedures for Preferential Certificate of Origin with Singapore Customs

After the checks listed in Section A have been carried out, manufacturers must perform the following steps to apply for the PCO for their exports.

#### Step 1: Manufacturer Registration

Manufacturers are required to apply for registration through the Manufacturer's Application Form or the [e-file application](#) available from the Singapore Customs website at [www.customs.gov.sg](http://www.customs.gov.sg).

Upon successful application, the manufacturer will receive a letter of approval from Singapore Customs.

## **Step 2: Submission of Manufacturing Cost Statement**

Upon successful manufacturer registration, the manufacturer can proceed to submit the manufacturing cost statement of their products to Singapore Customs for verification that the products in question meet the requisite rules of origin.

The submission should be made in the respective format for the application of a PCO under the respective FTA, and the format for each FTA scheme can be downloaded from the **Certificate of Origin** section in the Singapore Customs website.

Once the manufacturing cost statement has been approved, a verification letter for the product will be issued by Singapore Customs. This manufacturing cost statement is valid for one year from the date of the manufacturing cost statement.

## **Step 3: Application for CO through TradeNet® System**

Prior to the exports, the manufacturer may apply for the Preferential Certificate of Origin via TradeNet® together with the application of an export permit.

If he does not have the TradeNet® software, he may appoint an agent to apply on his behalf.

### **Section D: Common Features or Terminology Used in FTA**

Below are some of the features present in a FTA that will be useful for manufacturers or exporters to benefit from the FTA scheme for their exports.

#### **(i) Third Party Invoicing**

The presence of this feature in an FTA enables a PCO to be accepted by the Customs Authority of the importing country in cases where the sales invoice is issued either by a company located in a third

country or by an exporter for the account of that company.

#### **(ii) Back-to-Back PCO**

This feature, which is only available in multi-lateral or regional FTA, allows exporters to apply for back-to-back PCO for a product which has originated from a FTA Party, and is re-exported from Singapore to another preference-giving country under the same FTA scheme. Exporters will need to adhere to the documentary requirements when applying for a back-to-back PCO.

#### **(iii) Retroactive Issuance of PCO**

This feature allows for the issuance of PCO retroactively, but within a period of time from the date of exportation specified in the respective FTA.

#### **(iv) Retention Period of Documents**

This refers to the period which manufacturers or exporters must retain or keep documents relating to the production and shipment of exports under the FTA Scheme, for purpose of post-verification checks by the Singapore Customs or the FTA partners.

### **Further Information**

Manufacturers and exporters utilizing the FTA Scheme may contact Singapore Customs via the following channels should there be any further clarifications or enquiries pertaining to the rules of origin or the application procedures for a PCO:

Email: [customs\\_roo@customs.gov.sg](mailto:customs_roo@customs.gov.sg)

Phone: 6355 2000

Fax: 6337 6361

Post: 55 Newton Road, Revenue House  
#07-01 Singapore 307987

Website: [www.customs.gov.sg](http://www.customs.gov.sg)

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