2 Jan 2003

To: All Manufacturers Registered with Export Certification Unit of IE Singapore

FREE TRADE AGREEMENT ON THE RULES OF ORIGIN FOR TRADE BETWEEN THE EFTA STATES AND SINGAPORE (ESFTA)

Introduction

We are pleased to inform you that the EFTA-Singapore Free Trade Agreement (ESFTA) came into effect on 1 Jan 2003. The Agreement will lower barriers to trade and investments between Singapore and the EFTA States (European Free Trade Association comprising Switzerland, Liechtenstein, Norway and Iceland).

The entire Agreement is available for your download in MTI's website at: "<a href="http://www.mti.gov.sq". Please highlight the contents of this circular to your Marketing Manager/Financial Controller, your appointed freight forwarder and any other relevant officer.

Product Coverage and Rules

Under this Agreement, EFTA will eliminate tariffs on all Singapore-origin industrial exports. Tariffs are also liberalised on 95% of Singapore-origin agriculture exports to EFTA.

Exporting Singapore companies that will benefit from the tariff elimination therefore include those in key sectors such as electronics, chemicals, and other manufactured articles etc.

Generally, for a product to be of Singapore origin, it must be either:

- a. wholly produced or obtained in Singapore; or
- b. sufficiently worked or processed in Singapore.

The product specific rules are available for download in MTI's website at "http://www.mti.gov.sg".

Self-Certified Declaration

To enable the EFTA importer to enjoy tariff benefits under the ESFTA, the Singapore exporter must certify that his products are of Singapore origin i.e. his products meet the origin criteria for exportation under the ESFTA. Subject to the

requirements of his EFTA importer, the exporter may certify on the Commercial Invoice or any other commercial document or his company's letterhead that describes the goods concerned in sufficient detail for them to be identified.

If the exporter is not the producer of the goods and relies on documents and information from the producer of the goods to certify the origin of the goods, the exporter must take steps to ensure that the documents and information relating to the origin of the goods are accurate. Should the exporter become aware that the origin declaration contains incorrect information regarding the origin of the goods, the exporter should immediately notify the importer in writing of any change that may affect the originating status of each good to which the origin declaration is applicable.

If requested by IE Singapore, the exporter who completed the origin declaration should provide a copy of the origin declaration and all documents used to support the originating status of each product listed in the origin declaration. IE Singapore shall also have the right to carry out inspections of the exporter's accounts or any other controls considered appropriate.

An origin declaration will be valid for 10 months from the date of issue in Singapore.

Enquiries

You may download a copy of the explanatory guide to the Rules of Origin under ESFTA at the following website at:

http://www.tradenet.gov.sg

For further enquiries on the above, please contact the following officers:

a. Mr Tan Juan Fook - Tel: 6355 2000

b. Mrs Iris Chew - Tel: 6355 2000

c. Ms Ruby Goh - Tel: 6355 2000

d. Mrs Lam Meng Choo - Tel: 6355 2000

Alternatively, you may also submit your enquiries to our email address at:

ecu@iesingapore.gov.sg

MRS LAM MENG CHOO ASSISTANT DIRECTOR TRADE FACILITATION DIVISION INTERNATIONAL ENTERPRISE SINGAPORE BOARD