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SINGAPORE CUSTOMS

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To: All Manufacturers registered with
Documentation Specialists Branch of
Singapore Customs



RULES OF ORIGIN UNDER THE INDIA-SINGAPORE COMPREHENSIVE ECONOMIC COOPERATION AGREEMENT (CECA)

The CECA will be implemented on 1 Aug 2005. This Circular outlines the salient points of the Rules of Origin requirements and operational procedures for exports of originating goods claiming tariff preference in India.

Rules of Origin for Originating Goods

2. Your product may qualify for the preferential tariff treatment for importation into India under the following rules of origin:

- a. Product wholly produced or obtained in Singapore;
- b. Product meeting the local value or the cumulative value content of 40% and a change in tariff heading (4 digit) between the end product and the non-originating materials that are used in production; or
- c. Product satisfying the Product Specific Rules as specified in Annex 3A of the Agreement, where applicable.

3. For manufactured products, the majority of you will need to comply with either (b) or (c) in the case of products where flexible rules of origin have been offered. The details can be found in the Rules of Origin (Chapter 3) and Product Specific Rules (Annex 3A) of the Agreement which are available at: "http://app.fta.gov.sg/asp/fta/ceca_text.asp". You are advised to first ascertain whether your products have been accorded tariff preference by India before you apply for certification.

Documentation Procedures

4. In order for your importer to claim preferential tariff, you must apply for the CECA Certificate of Origin (CO) and Export Permit from Singapore Customs before you export the goods. The documentation procedures are as follows:

a. Step One - Factory Registration

The product must be manufactured by a factory that is registered with the Documentation Specialists Branch (DSB) of Singapore Customs. If you are not the manufacturer of the product and you wish to apply for a CECA CO for export to India, you should confirm that the manufacturer in Singapore has met this requirement.

To register, the manufacturer must complete the "Application for Registration" Form and eFile the application via the following website:

"<http://www.customs.gov.sg/eservice/maineservice.html>"

Upon receipt of the application, Singapore Customs will issue a letter of approval together with a registration number to the manufacturer. This will be followed by an inspection visit to the factory to ascertain that it has the necessary machinery and manpower to manufacture the product and that it keeps proper books and records of its operations.

For most of you, this procedure may not apply as you are already registered with DSB. However, for those who are producing new product lines, you are required to register your new product line with Singapore Customs.

b. Step Two - Submission of Manufacturing Cost Statement

Upon successful registration, the manufacturer is required to submit to DSB the Manufacturing Cost Statement (MCS) for each product model to be exported. A sample copy of the MCS is in **Annex A**.

DSB will verify your MCS and inform you whether your product satisfies the origin criteria for the CECA CO. With our approval letter for the MCS, you or your exporter may apply for the CECA CO when your goods are exported to India. Each approved MCS is valid for one year and must be updated annually or earlier when there are changes during the year.

c. Step Three - Applying for the CECA CO and Export Permit

You must apply for the CECA CO and Export Permit electronically through TradeNet® before exporting your goods.

d. Step Four - Submission of CECA CO via TradeNet®

You must declare the Certificate Type as "21" in your application for CO via TradeNet®. If you do not have the TradeNet® software, you may engage your freight forwarder or a Service Centre to apply for it on your behalf.

You should also take note of the following instruction when declaring the origin criterion text in the CO application as the details will be printed in box 8 of the said CO form:

Rules of Origin Criterion	Text to Appear in Box 8 of CO
(a) Products wholly produced or obtained in Singapore (see para 2 (a) above)	"X"
(b) Products meeting the local value content and the change in tariff heading rule (see para 2 (b) above)	Percentage of its single country content, example 40%
(c) Products meeting the cumulative value content and the change in tariff heading rule (see para 2 (b) above)	Percentage of its ISCECA cumulative content, example 40%
(d) Products satisfying the Product Specific Rules as defined in the Chapter on Rules of Origin (see para 2 (c) above).	Product Specific Rules

Usage of the CECA CO

5. A sample copy of the CECA CO is at **Annex B** for your reference. The CECA CO comprises one original copy and three carbonised copies of the following colours:

- Original - Light grey
- Duplicate - White
- Triplicate - White
- Quadruplicate - White

6. Upon approval, Singapore Customs will retain the Duplicate copy of the CECA CO and return the Original, Triplicate and Quadruplicate copies to the applicant. The exporter must sign all the copies of the CECA CO before despatching the Original and Triplicate copies to his importer in India. This CO is valid for a year. The exporter should retain the Quadruplicate copy for record keeping. The importer in India shall present the Original copy to his Customs Authority upon clearance of goods at the port.

Retention of Documents

7. Documents relating to the production and shipment of exports accompanied by the CECA CO should be kept for at least 2 years for post-verification checks by the Singapore Customs or the Indian Customs authorities.

Website for Downloading of Details of Agreement

8. The full details on CECA is available in the Ministry of Trade and Industry's (MTI) website at: "http://app.fta.gov.sg/asp/fta/ceca_text.asp".

9. We encourage you to familiarise yourself with the Rules of Origin requirements and take advantage of the benefits of the CECA for exports to India. Please share the contents of this circular with other colleagues in your organisation and business partners if relevant.

Operational Procedures for Preferential Tariff for Imports from India

10. Another Circular 15/2005 dated 22 Jul 2005 relating to preferential tariff for imports under the CECA will be separately issued. Both circulars can be downloaded at "<http://www.customs.gov.sg>".

Enquiries

11. For enquiries, you may:

a. call our Customs Call Centre at telephone number 6355-2000 on the application procedures for the CECA CO; and

b. raise your queries to MTI via the feedback form available at MTI's FTA website (<http://www.fta.gov.sg>) on clarification of tariff reduction.



MRS LAM MENG CHOO
HEAD
DOCUMENTATION SPECIALISTS BRANCH
for DIRECTOR-GENERAL OF CUSTOMS

SAMPLE FORMAT

COST STATEMENT FOR THE EXPORT OF PRODUCT UNDER THE INDIA-SINGAPORE CECA

Name of Manufacturer : _____ CR No : _____
 Description of Product : _____ HS Code: _____
 Model No : _____ Unit Price: : S\$ _____ (FOB)
 Country exported to : India _____

This Cost Statement is for _____ Unit(s) Date of Cost Statement : _____

	HS Code *	Country of Origin	Supplier' s Name (if Locally Manufactured)	Unit Cost (CIF)			
				Local	India	Foreign	Total
1. Raw Materials, Parts & Components (Please give detailed breakdown)							
a)							
b)							
c)							
d)							
2. Direct Labour Cost : Wages Other benefits (CPF, medical benefits etc) (Please give detailed breakdown)							
3. Direct Overhead Cost : (eg Factory rent, Depreciation costs, Maintenance) (Please give detailed breakdown)							
4. Ex-Factory Cost (1+2+3)							
5. Profit							
6. Ex-Factory Price (4+5)							

* Please declare the HS Subheading Code (first 6-digit) of foreign materials and materials of undetermined origin.

Calculations :

$$1. \text{ Single Country Content} = \frac{\text{Local Material Cost + Direct Labour \& Direct Overheads + Profit}}{\text{FOB Price}} \times 100 = \underline{\hspace{2cm}} \%$$

OR

$$2. \text{ ISCECA Cumulative Content (See Note 5 overleaf)} = \frac{\text{Local \& India Material Cost + Direct Labour \& Direct Overheads + Profit}}{\text{FOB Price}} \times 100 = \underline{\hspace{2cm}} \%$$

Declaration : I declare that the information provided by me is true and correct. I will permit as and when required, inspection of our factory/goods by officers of the Singapore Customs and undertake to maintain up-to-date costing records.

Signature & Name of Managing Director

Signature & Name of Accountant

This cost statement is prepared by : _____

Signature : _____

Tel : _____

(Please see next page for Guidelines)

SINGAPORE CUSTOMS

DOCUMENTATION SPECIALISTS BRANCH

GUIDELINES ON THE PREPARATION OF THE MANUFACTURING COST STATEMENT

The following procedures will apply when submitting the Manufacturing Cost Statement for the Documentation Specialists Branch's verification:

- 1) Check with the Documentation Specialists Branch of the Singapore Customs on the origin criteria that your product must comply with to qualify for preferential treatment.
- 2) Prepare the Cost Statement for every product model to be exported. This must be prepared on your Company's letterhead according to the format prescribed by the Documentation Specialists Branch.
- 3) Submit your Cost Statement for the product which must reach the Documentation Specialists Branch at least 7 working days before the export of goods.
- 4) Give actual cost of materials used, labour and overhead costs in each Cost Statement. Projection of production costs is not allowed.
- 5) Submit supplier's invoice of every material used that is manufactured locally. If the material is of India origin and you intend to qualify for bilateral accumulation, please submit a copy of the Certificate of Origin issued by the relevant issuing authority in India.
- 6) Update your costing yearly or earlier when there are variations in your prices, costs, sources of materials used, etc.
- 7) Ensure that the Cost Statement is declared to be true and correct by the Managing Director and the Accountant.
- 8) Contact the Documentation Specialists Branch for advice when you need clarification in preparing the Cost Statement.

1. Goods consigned from (Exporter's business name, address, country)		Reference No. INDIA-SINGAPORE COMPREHENSIVE ECONOMIC CO-OPERATION AGREEMENT (Combined Declaration and Certificate) Issued in Singapore See Notes Overleaf			
2. Goods 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 Under ISCECA <hr/> <input type="checkbox"/> Preferential Treatment Not Given (Please state reason/s) <hr/> Signature of Authorised Signatory of the Importing Country			
5. Item number	6. Marks and numbers on packages	7. Number and type of packages, description of goods (including quantity where appropriate and HS number of the importing country)	8. Origin Criterion (see Notes overleaf)	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 statement are correct; that all the goods were produced in _____ (Country) and that they comply with the origin requirements specified for these goods in the ISCECA for the goods 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		