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To All Manufacturers and Traders Registered with Singapore Customs

IMPLEMENTATION OF THE REVISED RULES OF ORIGIN (ROO) AND OPERATIONAL CERTIFICATION PROCEDURES (OCP) UNDER THE INDIA-SINGAPORE COMPREHENSIVE ECONOMIC COOPERATION AGREEMENT (CECA)

This circular outlines the changes and new requirements in the revised CECA ROO and OCP for exports to India, which will take effect from **14 Sep 2018**.

2 The full text of the revised CECA ROO and OCP may be downloaded at Enterprise Singapore's Free Trade Agreement (FTA) website at <https://ie.enterprisesg.gov.sg/Trade-From-Singapore/International-Agreements/free-trade-agreements/CECA> from 14 Sep 2018 onwards. The changes and new requirements are summarised in the following paragraphs.

Change in Rules of Origin (ROO)

- 3 Under the revised CECA ROO, a good will qualify as an originating good if:
- a) at least 35% of its content originate from Singapore or India; and
 - b) non-originating raw materials used to manufacture the good underwent a change in the first 6 digits of the HS code, i.e. different from the HS code of the finished good at the first 6 digits of the HS code.

Update to the list of Product Specific Rules (PSR)

4 Under the revised CECA, the list of products covered under PSR has been updated. With this update to the list, a locally manufactured good may satisfy the PSR specified in the updated Annex 3A to the ROO Chapter in order to be considered as an originating good under the revised CECA.

Inclusion of Provision for De Minimis

5 Under the revised CECA, a good that does not undergo a change in tariff classification as required in the ROO and PSR could still be considered an originating good if:

- a) for all goods except those falling within Chapters 50 through 63 of the Harmonised System, the value of all non-originating materials used in the

production of the good, which do not undergo the required change in tariff classification, does not exceed 10% of the Free On Board value of the good;

- b) for goods falling within Chapters 50 through 63 of the Harmonised System, the total weight of non-originating basic textile materials used in the production of the good, which do not undergo the required change in tariff classification, does not exceed 7% of the total weight of all the basic textile material used in the manufacture of the good.

Summary of Changes

6 The following table summarises the changes brought about by the revised CECA ROO and OCP.

	Changes	Affected Parties	Remarks
a	Change in Rules of Origin	Manufacturers/ Producers	Please refer to the ROO Chapter of the revised CECA text for the applicable origin criteria to apply for the good.
b	Update to the list of Product Specific Rules		Please refer to Annex 3A of the revised CECA text for the updated list of PSR.
c	Inclusion of provision for De Minimis		Please refer to Article 3.4A of the ROO Chapter of the revised CECA text for the applicable rule.

7 We encourage you to familiarise yourself with the Rules of Origin and Operational Certification Procedures in the revised CECA to take advantage of the benefits of the agreement when you export to India.

Enquiries

8 A list of frequently asked questions (FAQ) is attached in Annex A. For further clarifications on the contents of this circular, you may write to customs_roo@customs.gov.sg.

Yours faithfully

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for Director-General of Customs
Singapore Customs

(This is a computer-generated circular. No signature is required.)

We hope that this circular has been written in a way that is clear to you. If not, please let us have suggestions on how to improve this circular at customs_roo@customs.gov.sg.

FAQ

1. After entry into force of the revised CECA on 14 Sep 2018, the Manufacturing Cost Statement (MCS) for the export of my product under CECA is still valid. With the new requirements under the revised ROO, am I required to submit fresh MCS to Singapore Customs for verification before I can proceed with the Preferential Certificate of Origin (PCO) application for my export to India?

You are not required to do so if the origin criterion specified in the “Verification of Cost Statement” issued by Singapore Customs still applies for your product under the new requirements of the revised ROO. Please ensure that the declarant specifies the correct origin criterion in the corresponding TradeNet application.

2. My manufactured good has achieved a single country content/ISCECA cumulative content of 35%. However, the bulk of my non-originating raw materials used in the production of the good did not undergo a change in tariff classification at the 6-digit level. Can my good still qualify as an originating good?

The good would not qualify as an originating good. Under the revised CECA ROO, your manufactured good needs to meet both the origin criteria of single country content/ISCECA cumulative content of not less than 35% and a change in tariff classification at the 6-digit level for all non-originating raw materials used in production.

3. My manufactured good does not undergo the required change in tariff classification as required in the ROO and PSR. How do I use the De Minimis rule to qualify my good as originating?

The De Minimis rule only applies to change in tariff classification. Specifically, it applies to non-originating raw materials that do not undergo the required change in tariff classification.

Example (for illustrative purpose):

Good: Roasted nut and seed mixture (HS 2008.19)

Required change in tariff classification: A change in tariff classification at the 6-digit level

Raw material	Origin	HS (6-digit)	Any change in tariff classification?	Value
Roasted pumpkin seed	MY	2008.19	No	\$1
Peanut	AU	2008.11	Yes	\$15

FOB: \$20

Assessment: The roasted pumpkin seed is the only non-originating material that does not meet the required change in tariff classification under the revised CECA. The roasted pumpkin seed is 5% of the FOB value (\$1/\$20). As it meets the De Minimis rule where the value of the non-originating materials does not exceed 10% of the FOB value of the good, the roasted nut and seed mixture is an originating good under the revised CECA.

4. Am I able to claim preferential tariff treatment for imports into Singapore with the original PCO form issued under the CECA prior to 14 Sep 2018?

You would be able to claim preferential tariff treatment for imports into Singapore with the PCO form issued under the CECA prior to the entry into force of the revised CECA if the PCO form was issued before 14 Sep 2018 and the PCO is still valid upon presentation to Singapore Customs.