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Self-Certification – A Business Perspective: Meeting the Business Needs of SMEs

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**Self-Certification of Origin Workshop
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Self-Certification – A Business Perspective

'Meeting The Business Needs of SMEs'

Dr. Lim Chong Ping
11 October 2010

SME – in the Malaysian Context

Medium enterprise	Small enterprise
Sales RM10 - RM25 million or Full time employees 51 – 150	Sales RM0.25 - RM10 million or Full time employees 5 – 50



Current Guidelines for Issuing COO

Documents required

- Commercial Invoice (after loading)
- Packing list
- Customs export declaration (after loading)
- B/L (1 – 2 days after vessel sail)
- Other document (e.g.L/C)
- MITI's approval letter (for costing, PCOO)



Endorsement is within 2 w/d upon receipt of completed documents.

Issues Related to Issuance of COO



- Delay in issuance of COO leads to delay in clearance of imports
- Additional cost in obtaining COO
- Risk of disclosure of confidential commercial information to third parties due to reliance on forwarders/ custom brokers



One of the impediments of using FTAs is the issuance certificate of origin

Self-Certification

- Certification of origin is allowed to be made on an invoice, company letterhead or other format as agreed to between the partner countries
- It is a simple declaration process which dramatically reduces the time required to process the declaration
- Self-certification 'Reduces Cost and Complexity'

→ Meets the Needs of SMEs



However.....

- to prevent abuse
- to guard against false declaration



→ Comprehensive and effective legislation which contain adequate penalties is required

