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

Submitted by: BASF Petronas Chemicals
Self-Certification – A Business Perspective

‘Meeting The Business Needs of SMEs’

Dr. Lim Chong Ping
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SME – in the Malaysian Context

<table>
<thead>
<tr>
<th>Medium enterprise</th>
<th>Small enterprise</th>
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<tbody>
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<td>Sales RM10 - RM25 million or</td>
<td>Sales RM0.25 - RM10 million or</td>
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<tr>
<td>Full time employees 51 – 150</td>
<td>Full time employees 5 – 50</td>
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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
THANK YOU