



**Asia-Pacific  
Economic Cooperation**

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## **Overview of Experiences of Businesses in Utilising Self-Certification Regimes**

Submitted by: Canada



**Self-Certification Pathfinder Phase 2:  
Capacity Building Workshop 3  
Bandar Seri Begawan, Brunei Darussalam  
4–5 April 2011**

**APEC Self Certification  
Workshop, Brunei, 4-5 April  
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**Session 2: Advantages and Difficulties Experienced by Businesses, Including from Small and Medium Enterprises, in Utilising Self-Certification Regimes – Overview**  
*on experiences of businesses in utilising Self-Certification Regimes*

**Self Certification: The SME & Private Sector Perspective**

- Origin proliferation
- Origin management trends
- The certification process
- Certification challenges
- Certain benefits
- E-origin
- Conclusion

## Self Certification - Origin Proliferation

- Increasing free trade agreements
- Increasing use of co-equal rules within FTAs (ASEAN + ASEAN Self-Certification Regime)
- Increasingly sophisticated general rules (i.e. fungibility, inventory control, sets)

## Origin Management Trends

- Centralized management
- Integration with enterprise-wide software solutions
- Multi-tasking origin departments – no origin
- Rarely available to SMEs

## The Origin Certification Process: an Outline

- Determining the classification of the exported good under the Harmonized System
- Identify and interpret the applicable against your Bill of Materials (BoM)
- Apply “what if scenarios”

## The Origin Certification Process: an Outline of One ROO

- Supplier management
- “Other” rules
- Certification
- Verification

## Self Certification: Challenges & Difficulties

- Supplier versus manufacturer asymmetry
- Origin self certification without origin knowledge = origin liability
- Tariff classification itself – sustainable origin databases

## Self Certification: Challenges & Difficulties

- “Other” rules and conflicting rules
- “Invisible” rules of origin and the treatment of certificates at time entry (USA)
- Multiplicity & Lack of Appeals

## Self Certification: Some Benefits

- Additional uses of the same information
- Low cost suppliers – credit risking
- Other traceability multiplier benefits (“made in” mania, MFN, excluded inputs)

## E-origin

- Supplier management
- Records
- Global origin databases
- Origin liability dilemmas + “trusted third parties”

## [ Self Certification - Conclusions ]

- Sustainable capacity building
- Institutional learning and feedback mechanisms (i.e. origin negotiations)
- Origin and traceability as core global value chain skills

## [ Thank-you ]

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