


Certificates of origin to be issued by exporters

 Export firms have been urged to actively study the mechanism for self-issuing the certificate of origin (C/O) for goods under free trade agreements (FTAs) to boost exports.

The Ministry of Industry and Trade said that upcoming FTAs, such as the Trans-Pacific Partnership and Viet Nam-EU FTA, would allow exporters to have the right to issue self-certification of origin. The ministry is the only body currently that can authorise C/Os.

Self-certification of origin would help save time, reduce costs and promote trade and investment, the Viet Nam Chamber of Commerce and Industry (VCCI) said.

However, Tran Thi Thu Huong, director of VCCI's Centre for Trade Paper Attesting, said many firms were not fully aware of the mechanism for issuing self-certificates of origin, which would result in rampant confusion during the implementation of the procedure.

An expert from the US Agency for International Development said Vietnamese firms, especially those in the garment and textile industry, would face with a lot of difficulties in determining the rules of origins and origin verification procedures.

For example, the origins of garment and textile products were very complicated and different origins would result in different tax rates being imposed.

According to the General Department of Customs, firms might be accused of trade fraud as many could take advantage of the self-certification of origin procedure to enjoy preferential tax rates for goods which did not meet origin rules.

Au Anh Tuan from the General Department of Customs, said fraud in certification of origins could hurt exports, adding that import countries could suspend the imports of products if their origin was revealed to be fraudulent.

The Ministry of Industry and Trade said self-certification of origin was a challenge, but if export firms were eligible for self-certification of origin, this would help firms enhance competitiveness, grasp opportunities from FTAs and boost exports.

The ministry would also decide on the list of enterprises allowed to self-issue certificates of origin.

Experts also urged firms to actively study the mechanism for self-certification of origin and prepare to become eligible for self-certification of origin in order to grasp opportunities stemming from upcoming FTAs. — VNS

Source: <http://bizhub.vn/>