



Circular No: 21/2019
20 Dec 2019

All Manufacturers, Traders and Declaring Agents

Dear Sir/Madam

IMPLEMENTATION OF THE UPGRADED AGREEMENT BETWEEN NEW ZEALAND AND SINGAPORE ON A CLOSER ECONOMIC PARTNERSHIP (ANZSCEP) CHAPTER 3 RULES OF ORIGIN (ROO) AND ORIGIN PROCEDURES

Singapore and New Zealand have upgraded the ANZSCEP which builds upon the original Agreement. The upgraded ANZSCEP is scheduled to enter into force on **1 January 2020**.

2 This circular outlines the changes and new requirements in the ROO and Origin Procedures in Chapter 3 of the upgraded ANZSCEP. Companies are urged to read the full text of the upgraded ANZSCEP which can be found at www.fta.gov.sg. You can access the website by scanning the QR code on the right.



ANZSCEP Rules Of Origin criteria for determination of Origin of Goods - Removal of General Rule and Consolidation of all HS Line Items into the Product Specific Rules (PSR)

3 Previously, all manufactured goods would have to meet the General Rule of Regional Value Content (RVC) whereby at least 40% of the manufactured good content must originate from Singapore or New Zealand. Under the ROO and Origin Procedure of the upgraded ANZSCEP, the General Rule has been removed and all locally manufactured goods produced must now satisfy the Product Specific Rules (PSR) specified in Annex 3.1 to Chapter 3 of the upgraded ANZSCEP to be considered as originating and eligible for preferential tariff treatment when being imported into New Zealand. Additionally, with the removal of the General Rule and consolidation of all HS line items into the PSR, the Change in Tariff Classification (CTC) ROO criterion has been introduced in the PSR for several HS line items. **Please refer to origin criteria specified in Annex 3.1 (PSR) to Chapter 3 of the upgraded ANZSCEP.**

Revised Formula for the Calculation of RVC

4 Under the ROO, the RVC requirement to determine whether a good is originating, if applicable, is calculated as shown below:

- a) Build-down Method: Based on Value of Non-Originating Materials (VNM)

$$RVC (\%) = \frac{\text{Value of the Good} - VNM}{\text{Value of the Good}} \times 100\%$$

Or

- b) Build-up Method: Based on Value of Originating Materials (VOM)

$$RVC (\%) = \frac{VOM}{\text{Value of the Good}} \times 100\%$$

Change in Documentation Requirement for Claiming of Preferential Tariff Treatment for Goods Exported from Singapore to New Zealand

5 The upgraded ANZSCEP continues to operate on a self-certification basis but new entities were added which can issue a certification attesting to the origin of the good besides the manufacturer. An importer in New Zealand who wishes to claim preferential tariff treatment under the upgraded ANZSCEP can do so using a Certification of Origin completed by the exporter, producer or importer, or an authorised representative of exporter, producer or importer, of the goods.

6 The Certification of Origin shall contain a set of minimum data requirements as set out in paragraph 3, Article 3.18 of Chapter 3 of the upgraded ANZSCEP. The minimum data requirement is set out in **Annex A** of this circular for your reference. Alternatively, they may use the guidance template provided in Annex 3.2 to Chapter 3 of the upgraded ANZSCEP to certify the goods.

7 In the corresponding TradeNet declaration for your export permit, you must continue to ensure that “PRI” is selected under the “Preferential Indicator” field. It is mandatory to select “PRI” if the importer intends to claim preferential tariff treatment under FTAs with self-certification regimes. This is an indication that the importer intends to claim preferential tariff treatment when the goods are imported into New Zealand. With this, Singapore Customs can better assist companies if they face any denial of claims or request for verification of claims by the New Zealand authorities. Please check with your TradeNet software vendor if you are unable to locate the “Preferential Indicator” field.

8 Singapore exporters and producers who are issuing the Certification of Origin under the upgraded ANZSCEP should be well acquainted with the qualifying origin criterion of the good. We encourage you to familiarise yourself with the ROO and Origin Procedures in the upgraded ANZSCEP to take advantage of the benefits of the agreement when you export to New Zealand. Please share the contents of this circular with other colleagues in your organisation (especially the trade compliance team within your organisation) and business partners if relevant.

Procedures for Claiming of Preferential Tariff Treatment for Goods Imported from New Zealand to Singapore – Certification of Origin to include new set of minimum data

9 Similarly, an importer in Singapore who wishes to claim preferential tariff treatment under the upgraded ANZSCEP for their import may do so using a Certification of Origin completed by the exporter, producer, or by their authorised representative. Alternatively, the Singapore importer can complete a Certification of Origin on its own. The Certification of Origin shall contain the minimum data requirements as set out in paragraph 3, Article 3.18 of Chapter 3 of the upgraded ANZSCEP. There is no change to the import procedures for goods claiming preferential tariff treatment.

Summary of Changes

10 The following table summarises the changes brought about by the implementation of the upgraded ANZSCEP revised ROO and Origin Procedures.

	Changes	Affected Parties	Remarks
a	Removal of general rule & introduction of CTC criterion in the PSR	Manufacturers/ Producers	Please refer to the PSR for the applicable origin criteria to apply for the good.
b	Revised formula for the calculation of RVC		If RVC is an applicable origin criteria for the good, please calculate the RVC based on the revised formula.
c	Documentation Requirement for Claiming of Preferential Tariff Treatment for Goods Exported from Singapore to New Zealand	Manufacturers /Traders	The Certification of Origin shall be completed in accordance to the Origin Procedures of the upgraded ANZSCEP. The minimum data requirement is set out in Annex A .
d	Procedures for Claiming of Preferential Tariff Treatment for Goods Imported from New Zealand to Singapore	Importers	Please note the new Certification of Origin requirement as set out in Annex A of this circular.

Enquiries

11 Please refer to the Frequently Asked Questions (FAQ) in **Annex B** for more details. For further clarifications on the contents of this circular, you may write to customs_roo@customs.gov.sg.

Yours faithfully

Chua Yock Chin
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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.

MINIMUM DATA REQUIREMENTS

(As shown in Paragraph 3 of Article 3.18 Claims for Preferential Treatment)

The certification of origin shall include a signed statement attesting to the origin of the goods.

2 Unless such information already appears on the export invoice or other entry documentation, the certification shall also include:

- (a) a full description of the good(s) sufficient to relate it to the good(s) covered by the certification;
- (b) six digit Harmonized System Code for the respective good(s);
- (c) the exporter's name and address;
- (d) the producer's name(s) if known (if the producer is not the exporter);
- (e) the importer's name(s) in respect of imported goods, if known;
- (f) the rule of origin under which the declarant claims the good(s) qualifies;
- (g) date of the origin declaration; and
- (h) In the case of a blanket declaration issued for multiple shipments, the period that the origin declaration covers.

3 The declaration or certificate of origin shall be in writing, including electronic format, and be completed in English.

FREQUENTLY ASKED QUESTIONS

Q1: Is there a particular form or format that I have to follow when completing the Certification of Origin under the upgraded ANZSCEP?

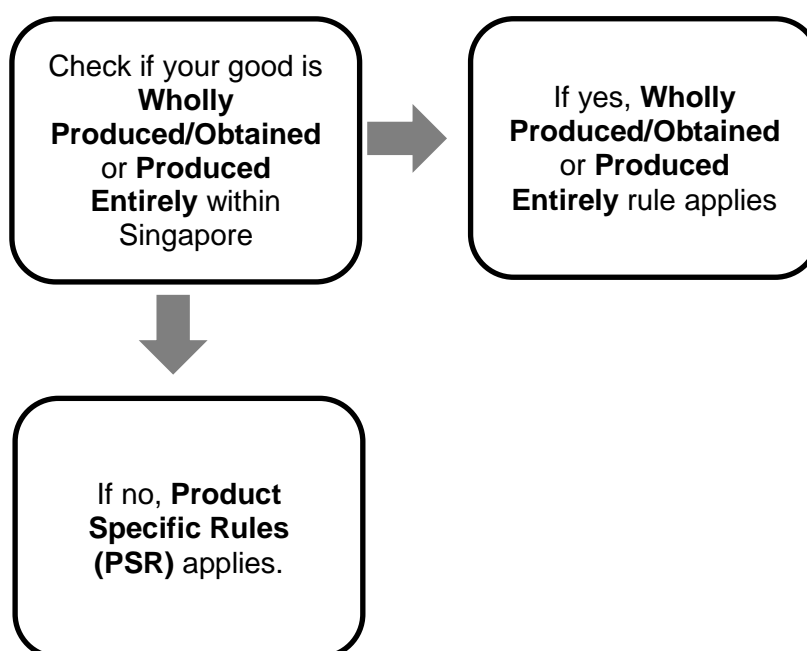
A1: There is no prescribed format for the Certification of Origin under the upgraded ANZSCEP. However, it shall include a signed statement attesting to the origin of the goods, in writing, including electronic format, and be completed in English. It shall also include a set of minimum data requirements as set out in **Annex A**.

Q2: My good is manufactured in Singapore exclusively from originating materials only. Does my good also need to satisfy the requirements prescribed in the PSR?

A2: There is no need for the good to satisfy the requirement in the PSR if it is manufactured in Singapore exclusively from originating materials. Originating materials must qualify as originating in accordance with the Rules of Origin prescribed under the upgraded ANZSCEP.

Q3: As a Manufacturer, my good have previously met a Regional Value Content of 40%. How can I find out the new revised ROO applicable for the locally-manufactured good?

A3:



Q4: My manufactured good does not undergo the required change in tariff classification. How do I use the De Minimis rule to qualify my good as originating?

A4: De Minimis only applies to the change in tariff classification (CTC) criterion. Specifically, it applies to non-originating raw materials that do not undergo the required change in tariff classification. The following example illustrates an application of De Minimis (for illustrative purpose) -

Final Good: Leather Handbag

Final Good HS Code: 4202.21

Required change in tariff classification: A change in tariff classification at the 4-digit level

Raw material	Origin	HS (4-digit)	Any change in tariff classification?	Value
Leather	AU	4113	Yes	\$50
Buttons	CN	9606	Yes	\$5
Zip	CN	9607	Yes	\$5
Coin Pouch	MY	4202	No	\$5

FOB: \$100

Assessment: The coin pouch is the only non-originating material that does not meet the required change in tariff classification as it shares the same HS Heading (4-digit HS Code) as the final good. The value of the coin pouch is 5% of the FOB value of the final good (\$5/\$100). Since the value of non-originating materials does not exceed 10% of the value of the final good, it meets the De Minimis rule and the handbag can qualify via the CTC criterion.

Q5: After entry into force of the upgraded ANZSCEP, are there any changes to the types of product which are able to enjoy preferential tariff treatment for imports into Singapore under ANZSCEP?

A5: There are no changes. Singapore currently imposes customs duty on 8 alcoholic beverages which are namely: stout/porter, beer including ale, medicated samsu and other samsu (under the HS codes 22030011, 22030019, 22030091, 22030099, 22089010, 22089020, 22089030 and 22089040). The customs duty for these products which are originating from New Zealand under the upgraded ANZSCEP will continue to be zero-rated. However, excise duty on these items will still be applicable at their respective rates.

Q6: What is the mode of submission of documents to claim preferential tariff treatment for imports from New Zealand to Singapore?

A6: Traders are to submit the Certification of Origin and other relevant required supporting documents electronically by scanning and converting to common formats such as PDF, DOC and email the documents to customs_pref_doc@customs.gov.sg. The scanned document should contain the entire image of the Certification of Origin and be reasonably legible. Illegible or truncated image of the Certification of Origin will be rejected by Singapore Customs. You do not need to submit the original hardcopy unless it is requested to be produced during a post verification audit.