

Unified Executive Instructions  
for  
Issue of Certificate of Origin  
under  
Various Preferential Schemes by EIAs



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## INDEX

<b>SECTION</b>	<b>DESCRIPTION</b>	<b>PAGE NO.</b>
I	INTRODUCTION	1
	PREFERENTIAL TARIFF SCHEMES, COMPUTERISATION, RULES OF ORIGIN, BENEFITS OF COO	
II	GENERAL GUIDELINES FOR ADMINISTRATION OF THE SCHEMES.	5
III	INSTRUCTIONS ON CERTIFICATION.	
	PART A - COMMON TO ALL SCHEMES	10
	PART B - SPECIFIC TO ISFTA/IAPTA/EHS UNDER ITFA/CECA BETWEEN INDIA-SINGAPORE/ SAFTA	13
	ANNEX A	15
	ANNEX I TO VI	47

## SECTION-I

### 0. INTRODUCTION

#### 1. PREFERENTIAL TARIFF SCHEMES

Preferential tariff may be a cut in import duty or duty-free entry extended to products upon import into preferential giving country. Preferential tariff schemes are preferential trading arrangements which act as stimulus to strengthen the development of national economies of the contracting States by expanding investment and production opportunities, trade and foreign exchanges earnings as well as the development of economic and technological development. Numbers of countries are entering into such arrangements with India to enhance trade through free movement of goods. Unilateral, bilateral and multilateral schemes are available at present which are as follows:

##### 1.1 Generalised system Preferences (GSP)

GSP is a non contractual scheme by which developed countries unilaterally extend tariff concessions to developing countries. The principles underlying GSP were formally accepted in March 1968 during 2<sup>nd</sup> UNCTAD conference held at New Delhi. The Generalised schemes of Preferences were first put into operation by European Economic Commission (now European Union) in the year 1971. GSP presently comprises of 12 different schemes extended by 36 developed countries-

Australia	* <u>EU</u>	
Canada	Austria	Czech Republic
Japan	Belgium	Estonia
New Zealand	Denmark	Cyprus
Norway	Finland	Latvia
Switzerland	France	Lithuania
United States of America	Germany	Hungary
Republic of Belarus	Greece	Malta
Republic of Bulgaria	Ireland	Poland
Russian Federation	Italy	Slovenia
Turkey	Luxembourg	Slovakia
European Union (EU*)	Netherlands	Spain
	Portugal	Sweden
	United Kingdom	

##### 1.2 Global system of Trade Preferences (GSTP)

In GSTP trade concessions are exchanged between developing nations (Group of 77) who have signed the agreement in the year 1988 and ratified by 48 countries. India has exchanged tariff concession on a limited number of products.

### **1.3 Asia Pacific Trade Agreement (APTA)**

The Asia Pacific Trade Agreement (APTA) is a preferential trading arrangement designed to liberalise and expand trade in goods progressively in the Economic and Social Commission for Asia and Pacific (ESCAP) region. The Agreement so far has been implemented by India, Bangladesh, Republic of Korea, Srilanka & China. Asia Pacific Trade Agreement (APTA) is a rename of the Bangkok Agreement (BA) from 1 September 2006. The Bangkok Agreement was effective from 31 July 1975.

### **1.4 SAARC Preferential Trading Arrangement (SAPTA)**

The agreement establishing SAPTA was signed by the seven SAARC member countries viz; India, Pakistan, Nepal, Bhutan, Bangladesh, Srilanka and Maldives and came into force w.e.f 7 December 1995 with the motive to promote and sustain mutual trade and to develop economic cooperation among contracting countries.

### **1.5 Indo-Sri Lanka free Trade Agreement (ISFTA)**

An agreement for establishing Free Trade Area was signed on 28 December 1998 between India and Srilanka and became operationalised in March 2000 following customs notification on tariff concessions.

### **1.6 India Afghanistan Preferential Trade Agreement (IAPTA)**

A bilateral Preferential Trade Agreement which was signed on 6 March 2003 between India and Afghanistan. Under the agreement both the countries will grant tariff concession to selected commodities.

### **1.7 Early Harvest Scheme under Indo-Thailand Framework Agreement**

A framework Agreement for establishing Free Trade Area between India and Thailand was signed on 9 October 2003. Under the agreement, an Early Harvest Scheme, containing common agreed list of items for tariff reduction/elimination, was implemented with effect from 1 September 2004.

### **1.8 Comprehensive Economic Co-operation Agreement (CECA) between India-Singapore**

A Comprehensive Economic Cooperation Agreement between India and Singapore was implemented w.e.f 1 August 2005, which inter-alia includes preferential access to products originating in India and Singapore.

### **1.9 South Asian Free Trade Area (SAFTA)**

The agreement on South Asian Free Trade Area was signed by seven SAARC member states on 6 January 2004 and SAFTA came into force on 1 January 2006 with custom notification tariff liberalisation programme started from 1 July 2006 with the motive to progress beyond a preferential trading arrangement to move towards higher levels of trade and economic cooperation in the region by removing barriers to cross- border flow of goods.

## 2. RULES OF ORIGIN

The compliance to Rules of Origin must be ensured while issuing Certificate of Origin. Rules of Origin comprise a set of requirements laid down in a preferential scheme, which must be fulfilled by a product/consignment to be eligible for preferential tariff treatment upon import in to a preference giving country. These are the means by which we determine where goods originate i.e. not where they have been shipped from, but where they are deemed to have produced or manufactured. This may be of particular importance in cases such as where

- ◆ the national quotas and ceilings are in force;
- ◆ anti dumping duty and import licensing requirements on the products of third countries are applied

On the other hand, in this age of globalisation the need of the industries to economize on sourcing of raw materials and semi-manufactured products or parts from other countries are taken into account, by accepting, in many cases, content from a non participating country.

Rules of Origin of above preferential schemes may be obtained from the offices of EIAs.

There are three basic components of rules of origin:

- a) **Origin Criteria** - which determine whether a product can be considered to be originating in the beneficiary country, the country from where the goods are being exported. Origin criteria can be classified as
  - Wholly obtained in a beneficiary country
  - Substantially obtained in a beneficiary country, involving:
    - ◆ Change of heading criteria
    - ◆ Process criteria
    - ◆ Percentage criteria
    - ◆ Combination of above
- b) **Transport Conditions** – which aim to ensure that goods originated in a beneficiary country should arrive at their destination without having been substituted, altered or manipulated in any way.
- c) **Documentary Evidence** – A certificate/declaration that serves as the proof for goods having satisfied the rules of origin of a preferential scheme.

In addition to the above, there may be certain aspects supplementary to basic rules of origin that may have a bearing on the origin of the product under consideration, which are outlined below for illustration purpose.

- i. **Cumulation** - Cumulation is a system that allows contracting parties to use originating products from each other.
- ii. **Packaging as a unit of qualification** -Where packaging is included with the product for classification purpose, it is included for origin purpose too.
- iii. **Consideration of Neutral Elements** - In order to determine whether a product is an originating product, it is not necessary to consider the origin of

the neutral elements e.g energy, equipment, tools etc., used in processing of the goods.

- iv. **Sets of articles** - Normally originating when all the component items making up the set are originating. Nevertheless when a set is composed of originating and non-originating items, set as a whole may be regarded as originating if the value of all the non originating items taken together does not exceed the prescribed percentage.
- v. **Accessories, spare parts and tools** - When dispatched with an equipment / vehicle etc., and included in the price thereof or not separately invoiced, these are regarded as one with the piece of equipment/ vehicle in question.
- vi. **General Tolerance Rule** - This permits manufacturers to use non originating materials up to a specified percentage.

### 3. **BENEFITS OF COO**

Indian exporter benefit indirectly through the benefit that accrues to the importer by way of reduced tariff or duty free entry of eligible Indian products.

Reduction or removal of import duty on an Indian Products makes it more competitive to the importer.

This tariff preference helps new exporters to penetrate a market and established exporters to increase their market share.

## SECTION -II

### GENERAL GUIDELINES FOR ADMINISTRATION OF THE SCHEMES

0. **GENERAL** – All activities related to issue of CoO have been computerised in all EIAs. Certificate of Origin forms are accepted and processed on line also. All Exporters have to be registered with EIAs for availing the services under various preferential tariff schemes. On line facilities of issue of Certificate of Origin and online registration of exporters are being provided. Registration can be done by clicking at any of the following links:

<http://www.eicindia.net/public/login.aspx>

or

<http://203.200.117.21/public/login.aspx>

or

<http://203.200.117.22/public/login.aspx>

Click on "New user Register here" link, follow instructions and fill the required online form. After filling all the details, the system shall prompt you with a Registration Number and all the details submitted by you.

#### 1. DEFINITIONS

- a. **Certifying Officer** - Certifying Officer is an officer of EIC/EIAs who's Signatures has been circulated among the customs authorities of importing countries and is authorised to issue the Certificate of Origin.
- b. **Certificate of Origin** – Certificate of Origin is a certificate issued by any Indian Government authorised agency on a specific form which will act as an evidence of material originating in India.

2. **PRINTING OF FORMS** – Printing of forms is arranged by EIC based on the requirement projected by EIAs yearly.

3. **ISSUE AND SALE OF BLANK FORMS** - The blank Certificate of Origin from store shall be issued for sale through a designated official from the CoO section. The sale of these blank forms either from the reception counter or inside the office shall be recorded giving the name of the exporter/other agencies and number of forms sold with amount received. Forms shall be sold against a written request only. The details of the bank drafts received for sale of the blank form should also be maintained. This record shall be checked by the Deputy Director (I/C) of CoO section or Officer (I/C) of the sub-office, as the case may be, atleast once in a month and the officer should sign these records after checking.

#### 4. ACCEPTANCE OF APPLICATION FORMS.

- (a) CoO forms are to be accepted from exporters at counters / on line during the entire office working hours. All offices shall display the time. All applications received within working hours to be normally addressed during the same day. However, in case of EIA- Head Offices and Sub-Offices where number of CoO applications are very large, all applications received before 1430 hrs. should definitely be addressed within the same day.

- (b) Delivery of certified forms / return of forms under objections will be done during the office hours on working days.
- (c) A system for deposit of applications even after 1430 hrs should be provided for, such as a locked box to be kept near the reception in which exporters may drop their forms. This box should be opened on the same day or on the next working day before the prescribed opening time and the forms handed over to the reception for further processing with due priority over the forms being received on the day.
- (d) A Tatkal Scheme has been introduced to facilitate the exporters for obtaining CoOs on priority basis though out the day. An additional fee of Rs.500/- will be charged under this scheme. The process for issue of CoO under Tatkal Scheme is give at Clause 6.
- (e) Only exporters or their representatives will be allowed to sign CoO, as they alone are aware of the product or its material, process and cost details etc, essential for determining eligibility of the product(s) for which the certificate is required. Shipping / Forwarding agents may, however, be allowed to act as the carrier of documents, on behalf of their exporters.
- (f) Application forms will be accepted after a preliminary scrutiny during which the following will be confirmed:
- i. The forms are filled in English.
  - ii. The entries in the specified box should be preferably typed. However, in case they are hand written, they have to be in ink and in capital letters.
  - iii. All boxes / fields of a CoO should be filled in except those meant for official use. (In case of GSP, exports to member states of European Union and Russian Federation the exporter can also leave box 2 blank. Similarly, in the case of exports to Australia and New Zealand, the exporter can leave box no. 8 blank).
  - iv. The exporter should have filled in the application part of a CoO which should also contain the address of the premises where the goods are physically available and a declaration that no other certificate for the same consignment has been obtained from any of the authorized agencies.
  - v. Signatures and stamps of the exporter should be put in appropriate box/field of the certificate. Signatures of the exporter, as on certificate and application form must be of the same person. Designation of the official signing the forms should also be clearly given.
  - vi. Erasing, overwriting and use of correction fluid shall be avoided
  - vii. Certification / Physical Verification fee should be paid through an acceptable instrument (Bankers Cheque / Demand Draft) drawn in favour of the Agency and valid for at least 3 months (on the date). If the exporter is an account holder, the passbook provided should accompany application. (For Fee Structure of various schemes refer Annex-II.
  - viii. A Deposit Account can be opened by an exporter with the Agency / Sub Office concerned by paying initial sum of Rs. 1000/- through a bankers cheque and remitting further amounts periodically, in multiples of Rs. 500/-, depending up on the quantum of certificates being sought. The remittance of further amounts may be accepted through local cheques / bank drafts drawn in favour of Export Inspection Agency concerned with

validity of at least three months on the date. A passbook shall be issued by the concerned agency / sub-office to the exporter for operating the deposit account.

**Note** – Agencies may work out an arrangement with banks for direct remittance.

## **5. PROCESSING OF THE APPLICATION FORMS.**

- a) CoO forms are received at counter as well as on line.
- b) Agency will lay down job description of each official posted in CoO Section and they will also identify an officer who will act as an Administrator.
- c) It is the responsibility of the Administrator to distribute the CoO forms received at counter to data operators for entering the data on regular intervals on first-come first-served basis. To the extent possible, forms received up to 1430 hours should be issued same day.
- d) Distribution of CoO forms to Certifying Officer will be done by Computer.
- e) EIA headquarter and its Sub-Offices should maintain a proper record of CoOs received by post and ensure timely issuance thereof.
- f) Agency will lay down workflow related to processing of certificates of origin. It should, broadly comply with the workflow as given in Annex III.
- g) Agency Incharge will ensure deployment of need based staff in CoO Section and officials including COs and staff shall be rotated in a planned way.
- h) Agency shall ensure that only those officials, whose names have been communicated to the donor /participating countries, are allowed to issue CoO.
- i) Data entry operator may be used to feed all relevant details as given at Annex IV.

## **6. PROCESSING UNDER TATKAL**

A Tatkal Scheme has been introduced to facilitate exporters to obtain Certificate of Origin (CoO) on priority i.e. the certificate would be issued maximum within one hour of its receipt. The scheme is applicable only for the offices which are issuing more than 50 CoOs per day. The scheme will be monitored by DD (GSP)/ Incharge of the Office.

Issue of Certificate of Origin under TATKAL Scheme –

- a) Application along with Certificate of Origin will be accepted on all working days any time in between -

0930 hrs to 1700 hrs for EIA-Kochi  
1000 hrs to 1730 hrs for other EIAs

Application should be addressed to Deputy Director (GSP) / Incharge of Sub-Office.

Tatkal applications will be given priority over regular applications<sup>1</sup>. Reasons for delay (beyond prescribed time i.e. 45 minutes) shall be recorded, and shall be brought to the notice of Deputy Director (GSP) / Incharge of Sub-Office.

An Additional amount of Rs.500/- will be charged per CoO under the scheme i.e. the exporter will have to pay Rs.850/- (Rs.350/- + Rs.500/-) to obtain CoO under Tatkal Scheme.

Discrepancies observed during the processing must be informed to applicant within 30 minutes. On re-submission the same CoO shall be attended on top priority.

Instances involving physical verification may be dealt with in the following matter:-

i.  
PV related to first consignment being exported must be carried out. In such a case, the case may not be accepted as Tatkal.

ii.  
For a regular exporter, PV, if required as per schedule, may be deferred to the next consignment. This relaxation may not be offered in case certification of next consignment is also requested under Tatkal scheme.

f) The mode of payment will remain the same as per the provision given in the Executive Instructions. Under no circumstances, payment in cash shall be accepted.

<sup>1</sup>Note – In case for any reason, it is not possible to issue CoO under Tatkal, the exporter shall be informed of the same.

#### **7. ISSUE OF CERTIFICATES OF ORIGIN**

(a) The Officer Incharge of the EIA/Sub-Office shall ensure that

i.  
Properly stamp the box meant for issuing authorities and specifically ensure the clear impression of EIC stamp.

ii.  
Properly endorse box meant for official use whenever required.

(b) The signing and stamping of CoO should be done at the end of the entire process once it is found to be in order.

#### **8. RECORDS & RECORD KEEPING**

(a) EIA's and its sub-offices shall maintain files with respect to the following:

All instructions / circulars on the subject issued by EIC and issued to Sub-Offices.

Files of accounts and account holders.

Records of cases of retrospective issuance

Records of Physical Verification/Visits undertaken.

- Records of cases admitted after regular hours.
- Training.
- Complaints.
- Official Stamp.
- Specimen Signatures.
- Defective/Damaged forms.
- MISC general file.

- (b) The copy / copies of the certificate shall be retained by the Agency, along with all supporting documents submitted by exporter. Office records of the certificate issued shall be filed in seriatim, as per the unique number allotted to it by the office.
- (c) Office copies of the certificates shall be stored in such a manner that they are easily retrievable, whenever required for subsequent reference.
- (d) The present retention period of the copies of certificates (along with related enclosures) is three years. Care should, however, be taken to ensure that office records pertaining to pending cases of post verification as well as certificates demanded by EIC, courts of law and involving investigations/sanctions are not destroyed till they are done with. For weeding out of records, regular procedure prescribed by EIC shall be followed.
- (e) Record of delivery of original certificate / form with deficiency shall be maintained by the Agency.

## **9. GENERAL**

- 9.1 Submission of Reports to EIC - Statements as per the formats detailed at Annex I & V shall be by 7<sup>th</sup> of every month to EIC.
- 9.2 Documents to be provided to Certifying Officers

Copies of following reference documents shall be made available by the Agency to the all the Certifying Officers under its jurisdiction including sub offices:-

- (a) Regulations of / Agreements with various preference giving countries;
- (b) Indian Trade Classification – a publication of DGCIS, Calcutta;
- (c) ITC (HS) Classification of Export and Import Items – a publication of the Ministry of Commerce;
- (d) Executive instructions on issuance / post verification; and
- (e) All circulars issued from time to time.

## **SECTION -III ISSUES ON CERTIFICATION**

### **PART A - GENERAL INSTRUCTIONS COMMON TO ALL SCHEMES**

#### **1. Certification by the Certifying Authorities**

The following important instructions need to be followed while issuing Certificate of Origin:

- a) A certificate of origin is to be issued only if the goods are meeting the rules of origin prescribed by the importing (preference-giving) country.
- b) It is the responsibility of certifying authority to ensure that the certificates and the applications are duly completed.
- c) As a rule, certificate is issued at the time of exportation of the products in question.
- d) Certifying authority shall ensure that all required details have been filled in by the exporter clearly to enable the goods to be identified by the customs officials.
- e) One certificate is to be issued for one consignment. Consignment, for the purpose of these executive instructions has been defined as products, which are either sent simultaneously from one exporter to one consignee, or covered by a single Transport Document covering their shipment from the exporter to the consignee or, in absence of such a document, by a single invoice.
- f) A certificate of origin is issued only upon written application from the exporter.
- g) Deficiencies observed / information required will be noted on the reverse of the last copy of the form and should be easily comprehensible to the exporter and the form returned to the exporter for rectification or providing supporting information. In case of CoO received on line, the deficiency observed on the same shall be communicated on line to the exporter.
- h) In case the certifying authority is satisfied that the goods are meeting the origin criteria & the consignment conditions prescribed by the importing preference –giving country, he / she will endorse the form by putting his / her signature within the requisite box / field of the certificate.
- i) Schemes in which physical verification is prescribed as a means of pre-exportation verification, frequency of visits, 1 in 20 or as revised (please see Part B) shall be ensured before issuance of a CoO.
- j) In case of quota items where separate instructions are issued, such as sugar, where the issuance of CoO is permissible only under specific circumstances, the certifying officers are to take extra care to see that all the regulations for Preferential Tariff are complied and permission is taken from EIC. (At present only DGFT is allowed to issue certificate in case of Sugar)
- k) It may be noted that there is a Committee comprising of officers from EIC, EIA-Delhi and Department of Information Technology to oversee the eligibility of Colour Picture Tubes and Colour TVs for issuance of CoO. It should be confirmed before issuing any certificate for these items that the Committee has cleared the same.
- l) There must not be any erasing or overwriting in the certificate. Alterations/amendments, if genuine, must be made by deleting the incorrect particulars and / or by adding whatever is needed. Such corrections must be countersigned and authenticated by the Certifying Officer.

- m) No space must be left between the items entered on the certificate. A horizontal line must be drawn immediately below the last item. Any unused space must be struck through in such a manner as to make any later additions impossible.

## **2. Retrospective issuance of a CoO**

A certificate of origin is not to be issued after exportation of the goods, in a routine manner. In exceptional cases – where as a result of error, involuntary omission or any other special circumstances, no request for certificate was made to the Agency at the time products were exported, Certificate may be issued after shipment. In such a case, the certifying authority should insist for a written explanation of the exigency that is warranting issue of the certificate on retrospective basis. In-charge of CoO activities at Agency Headquarters (Dy. Director) and In-charge of Sub-Office shall have the discretion to allow certification after exportation of the goods provided the explanation in respect of the exigency is considered satisfactory and the rules of origin are complied with. Proper records of retrospective issuance shall be maintained by the Agency. Such forms shall be provided with endorsement “Issued Retrospectively” in red ink. (*In case of EHS under ITFA and CECA between India-Singapore endorsement shall be “Issued Retroactively”*).

## **3. Issue of duplicate certificate of origin**

In the event of theft, loss or destruction of an original certificate, the certifying authority may issue a duplicate of certificate. For protecting against any misuse, an affidavit shall be taken from the exporter on a stamp paper of appropriate value (acceptable in local court of law), containing the reasons for loss or destruction of the certificate, undertaking not to misuse the duplicate certificates and to return the original if it is later on retrieved and also indemnifying the agency against any loss or damage arising out of issue of the duplicate certificate (Annex VI may be referred for model draft of an affidavit). The endorsement giving reference of the original certificate (date of issue and distinctive no of original certificate) shall be given on the duplicate certificate.

## **4. For invoices requiring more space**

In case the details regarding “marks” or “description of goods” require more space than that available on the certificate form, exporters may be allowed to either use another certificate form in continuation or make the commercial invoice a part of the certificate of origin. Following precautions shall be taken in such a case.

- a) In case of use of additional certificate forms,
  - i. each form shall be stamped/certified.
  - ii. the following endorsement shall be stamped in the box meant for official purpose of each form in blue ink.  
“Forms numbered.....to..... constitute one certificate”
- b) In case the invoice is to be part of the certificate,
  - i. exporter shall be advised to submit 3 certified copies of the commercial invoice;
  - ii. invoice related to the consignment shall be stamped with following endorsement in blue ink;

“Attached with Certificate of Origin Form number ..... dated.....”.

- iii. fact that the invoice has been made a part of the certificate may be recorded by way of following stamped endorsement in Box meant for official use in blue ink:  
“Invoice number..... dated..... , duly endorsed, forms a part of this certificate” and;
- iv. suitable entries shall be ensured in Box 5,6,7 and / or 9 (where required) due to space constraint on the certificate form. For example, in case of Ayurvedic Medicines to be certified on a GSP form:

Box 5	Box 6	Box 7	Box 9
As per enclosed Invoice	As per enclosed Invoice	One hundred cartons containing Ayurvedic medicines as detailed in the enclosed invoice	As per enclosed invoice

**5. Post verification of certificates referred by foreign customs**

Where post verification of certificate has been referred to by foreign customs, the details given in Document No.EIC/CoO-PS/Ex.Inst/August 2006/Issue 01 on Executive Instructions for conducting post verification placed at Annex A shall be complied with.

## SECTION -III

### PART B - INSTRUCTIONS SPECIFIC TO ISFTA/IAPTA/EHS UNDER ITFA/CECA BETWEEN INDIA- SINGAPORE/SAFTA

In the above schemes, there is an additional requirement on pre-exportation verification, the instructions for which are as follow:

- (1) The first consignment of a particular product of a particular exporter is to be certified after a **physical verification** that origin criterion / value addition norm prescribed is actually being met. Continued compliance to origin criterion/value addition is to be assessed on a periodic basis at a frequency of 1 in 20 consignments or once in a year whichever occurs earlier for each product. However, physical verification of the first consignment may not be insisted upon under special circumstances, where, as a result of error, involuntary omissions or any other special circumstances, the consignment may be certified after verifying the documents that origin criteria and value additions are being met and in such cases the subsequent consignments shall be certified after physical verification. Depending upon the performance observed in the last one year, the Incharge of the Agency shall have the discretion to change this frequency for a product of an Exporter subject to the condition that physical verification is carried out at least once in a year for each product. Reasons for relaxations shall however be recorded.
- (2) Physical Verification has been prescribed primarily for ensuring that origin criteria / value addition norms are actually being met before a certificate is issued for a particular product. Depending on the product, the Agency has to decide the best way in which it can achieve this objective. Examination of the consignment is advised primarily on two counts- i) to get an idea of the product and the type of materials / components used in its manufacture (this helps in deciding the checks that one would like to carry out for determining origin.) and ii) is to observe actual use of a non originating material in the consignment.
- (3) Physical verification is to be carried out where the goods are physically available at the time of submission of the certificate, but preferably at the premises of the manufacturer. In case goods are available at a premises under the jurisdiction of another Agency / Sub Office, physical verification shall be got done through the concerned office within 3 days. In case visit to manufacturing premises is considered necessary in addition to physical verification, it may be organized through the Agency / Sub Office in whose jurisdiction the same is located within 3 days.
- (4) All schemes shall be clubbed together for the purpose of deciding periodicity of physical verification for a product. In other words outcome of PV carried out for a particular product under one scheme shall also be applicable to consignments of same exporter for similar product being exported under other preferential schemes, provided the origin criteria/value addition norms are complied with.

- (5) The officer deputed for the physical verification shall submit a report immediately thereafter, covering at least the following points.
- Details of the consignment including the form & invoice,
  - Address(es) of the premises where physical verification was carried out/ visited, for ascertaining compliance to prescribed origin criterion / value addition norm.
  - Date / time of arrival & completion of physical verification / visit, and
  - Grounds, in detail, on which the goods are adjudged to be complying (or not complying) to the origin criterion / value addition norm prescribed and the supporting documentation, if any.
- (6) Records of issue of certificates of origin / Physical verification carried out shall be maintained exporter – wise and for each exporter product – wise to facilitate desired periodicity of verification.

# Executive Instructions on Post Verification of Certificates of Origin



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## INDEX

### Executive Instructions on Post Verification of Certificates of Origin

Sl.	Particulars	Page No.
1.	Introduction	17
2.	Rationale Behind Foreign Customs requests for Post Verification	17
3.	Provisions under various Schemes for Post Verification	18
4.	Post Verification Procedure	20
5.	Communication of Results of Post Verification	22
6.	Contraventions by the Exporter and Sanctions	23
7.	Appeal	26
8.	Contraventions by EIA Officials	26
9.	Post Verification requests for Certificates issued by other organisations	27
10.	Model Communications	28

## Executive Instructions on Post Verification of Certificates of Origin

### **1.0 INTRODUCTION**

- 1.1 Post verification of Certificates of Origin is an integral part of all preferential certification schemes. To the Donor Country, Post verification constitutes the control mechanism which ensures that benefit from reduced tariff is accorded to only bonafide products originating in developing countries, thereby cutting down their revenue losses on import duty. At the same time, post verification establishes the credibility of the Certifying Authority with the donor country on one hand and on the other hand, helps build confidence within the Certifying Authority by establishing that the certification scheme is being operated satisfactorily.
- 1.2 Right since the inception of the first preferential scheme of origin, GSP, in the year 1971, the EIAs, on the request of the customs authorities of the importing countries, have been conducting post verification of the Certificates of Origin issued by them.
- 1.3 In order to streamline activity of attending to requests for post verification, circulars dated 16.12.1994, 21.06.1996, 22.08.1996, 15.12.1997, 29.04.1998 and 9.12.2002 were issued by EIC.
- 1.4 A need has now been felt for documenting the system of post verification in the form of consolidated executive instructions to incorporate the earlier instructions and to address situations not earlier covered.
- 1.5 This document shall come into force with immediate effect and shall supersede all circulars issued in past with respect to post verification of certificates of origin.

### **2.0 RATIONALE BEHIND FOREIGN CUSTOMS' REQUESTS FOR POST VERIFICATION**

- 2.1 Preferential schemes of origin essentially involve reduced MFN Tariffs or duty-free entry of eligible products exported by beneficiary countries like India to the markets of donor countries. The preferential tariff treatment is accorded by the importing customs on the basis of a certificate of origin issued in the country of export by authorities designated for the purpose. This certificate of origin, in turn, entitles the importers to clear their goods from their customs at a reduced rate of import duty.
- 2.2 Since a lower import duty means revenue loss to the importing country, custom authorities in the importing countries periodically demand for verification of the certificates of origin, the documentary proof that establishes eligibility of the goods to preferential tariff treatment, either on random basis or whenever they have a reasonable doubt on the authenticity of the certificate and accuracy of information contained therein, particularly regarding the true origin of the products in question.

### **3.0 PROVISIONS UNDER VARIOUS SCHEMES FOR POST VERIFICATION**

- 3.1 The first condition that every preferential scheme prescribes for the goods of any beneficiary country to be eligible for the tariff preferences is that the beneficiary country shall comply or ensure compliance with the
- a rules concerning the origin of the goods, completion and issue of certificates of origin, and
  - b conditions concerning methods of administrative cooperation between the customs authorities of the importing countries and the certifying authorities of the beneficiary countries detailing, inter alia, the right of the customs authorities of the importing countries to call for information / investigations and the obligation of the certifying authorities in beneficiary countries to respond to the request of customs authorities within a reasonable time frame.
- 3.2 For the purposes of post verification, the customs authorities in the importing countries may return either the original or a copy of the certificate of origin along with the copy of related invoice and transport

- 3.3 Upon receipt of an application for subsequent verification, the concerned certifying authority is to carry out the required verification and communicate its results to the customs authorities of the importing country, generally within a maximum period of six months. The results communicated are required to be such as to establish whether the certificate of origin in question applies to the products actually exported and whether these products were in fact eligible to benefit from the tariff preferences under the preferential scheme of the importing country.
- 3.4 If there is no reply within the specified initial period of six months or if the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products, the customs authorities of the importing country may address a second communication to the certifying authorities by way of reminder. The certifying authority is now obliged to communicate the results of the verification to the requesting customs authorities within a maximum period of four months, failing which, the requesting customs authorities will be within its right to refuse preferential tariff treatment to the goods covered by the certificate.
- 3.5 Where the verification procedure or any other available information appears to indicate that the provisions of the rules of origin of the importing countries are being contravened, the certifying authority, either on its own initiative or at the request of the customs authorities of the importing country, is required to carry out appropriate inquiries or arrange for such inquiries to be carried out with due urgency to identify and prevent such contraventions in future. The customs authorities of the importing countries have a right to participate in such inquiries.
- 3.6 The certifying authorities of the exporting beneficiary country are obliged to keep, for at least three years, copies of the certificates as well as any export documents relating to them for the purpose of subsequent verification of certificates of origin.

3.7 The schemes also provide that persons who furnish, or cause to be furnished, information which relates to origin or consignment and which is untrue in a material particular, are liable to legal penalties as per the law of the land and / or to the suspension of facilities for their goods to obtain preferences.

#### **4.0 POST VERIFICATION PROCEDURE**

4.1 Post verification investigations shall be carried out in a manner to satisfy the conditions of administrative cooperation detailed under section 3 of this document.

4.2 It shall be the responsibility of the Head of the Agency to arrange for the post verification requested by the Importing Customs and to communicate the results of the verification at the earliest but in any case within a maximum period of **four months** to be counted from the date of receipt of the post verification request by the Agency. He shall be assisted by the Deputy Director in-charge of the scheme in carrying out post verification investigations. The Head of the Agency shall provide the infrastructure / allocation necessary for this activity.

4.3 It shall be the responsibility of the Deputy Director in-charge of the scheme to complete the post verification within **15** days in case only signatures stamps etc. are to be verified. However, in case there is a need to get details from the exporter, the post verification shall be completed within a maximum period of **three months** from the date of receipt of the post verification request. For completing this investigation, the following process / steps shall be followed.

##### **a. Retrieval of office records**

The office record pertaining to the Certificate of Origin should be retrieved from the record room / called from the sub office concerned (as the case may be) and compared with the documents furnished by the importing customs. Impression of stamp of EIC and signatures of the EIA officer should also be compared with the official records circulated by EIC. This will establish the authenticity of the certificate in question.

- b. **Determination of HS tariff heading of the product in question.**  
Establish the rule applicable to the product in question, as prescribed by the importing country. The HS tariff heading of the product is always a good place to begin with.
- c. **Listing of doubts raised by foreign customs.**  
Break down the request of foreign customs into elements of doubt that would need to be clarified by the Agency.
- d. **Identification of additional information / checks required for c. above.**  
Based on a & b above, identify the additional information required / checks needed to clarify each element of c above.
- e. **Seeking required information.**  
Obtain the additional information from the exporter if the same is not available in the records mentioned at **a.** above. Reasons for seeking the additional information as well as the elements of information sought should be properly explained to the exporter in order to solicit cooperation. **In order to ascertain true position of an element under doubt, a visit to exporter may be carried out, if required.**
- f. **Report of investigation.**  
On conclusion of the investigation, prepare and submit a report to the in-charge of the Agency summarising the elements of doubt raised in the request of the foreign customs, the information sought for their clarification and the outcome of visit, if any. If the outcome of the investigation demands any further course of action, the same should also be highlighted.

4.4 Records as per the format detailed at **Annex. 1** should be maintained by the EIAs or/ all the post verification requests received by them.

4.5 A statement detailing status of post verification requests received, disposed of and pending, shall be furnished by the EIAs to the EIC, as per the format **Annex. 2** in the monthly MIS report.

4.6 All communications addressed to the exporter shall be sent through recorded post / delivery and contain a time frame for reply, of not more than 15 days in the first instance and 7 days in the case of reminder.

## **5.0 COMMUNICATION OF RESULT OF POST VERIFICATION**

5.1 It shall be the responsibility of the Head of the Agency to communicate the results of post verification to the Importing Customs.

5.2 For this purpose, he / she shall examine the report of investigation submitted by the Deputy Director in-charge of the scheme for its

- a. Completeness,
- b. Addressing of all issues raised by the importing customs,
- c. Contravention of the rules / scheme of certification by the exporter by way of non-cooperation, tampering of certificates after their issue, obtaining certificates through fraudulent means and forging of certificates, and
- d. Contraventions by the Agency officials by way of non-compliance to instructions and procedures laid down for the purpose.

5.3 Internal actions arising out of cases involving contraventions should be taken separately after communication of the results of post verification to the importing customs.

5.4 While communicating the results, it shall be ensured that

- a) The results communicated clearly pronounce his / her own judgment as the certifying authority, as to whether the certificate of origin in question applies to the products actually exported

- b) All issues raised by the Importing Customs are addressed and information sought, if any, provided.
- c) The replies are confined to the issues raised by the importing customs and **in no case, attempt is made, to instruct the importing customs not to allow preferential treatment to the goods in question,**
- d) Material details that would link the reply to the request of importing customs (reference number & date of the post verification request of the importing customs, number & date of issue of the certificate of origin in question, name of Indian exporter) are correctly mentioned.
- e) Complete postal address of the importing customs is typed / neatly written on the envelope, and
- f) A copy of the reply is endorsed to the EIC.

5.5 Since it is the responsibility of the certifying authority to ensure compliance to the rules, the judgment referred to at 5.4.a. above must be of the EIA concerned as the certifying authority and in no case be assigned to the exporter, 'by claiming as may be seen from the documents submitted by the exporter, the product meets the requirement of rules of origin' or such similar words.

5.6 In case the EIAs decide to enclose supporting documents provided by the exporters as it is to the importing customs, abundant care must be taken to ensure that the commercial / financial secrets are not divulged inadvertently, involving the EIC & the EIAs in a legal problem later on.

## 6.0 **CONTRAVENTIONS BY THE EXPORTER AND SANCTIONS**

6.1 The post verification investigations may bring in to light the following types of contravention by the exporter (refer 5.2.c.), which shall be dealt separately as per the provisions made for them in this document:

- a) Non-cooperation in the post verification investigations,
- b) Tampering of Certificates;
- c) Obtaining Certificates through fraudulent means or from non authorised organisation(s),and
- d) Forging of Certificates.

It may be noted here that the law of the land holds the master, owner, or company responsible for the acts of servants, agents / representatives or employees.

## 6.2 For the purpose of this document

- a. 'Non cooperation' by the exporter shall mean failure, in spite of a registered reminder, on the part of the exporter in furnishing, within the prescribed time limit, the information requested by the EIAs for establishing the true origin of the products in question,
- b 'Tampering' shall mean any alteration, whether addition or deletion, in the certificate of origin after its issue, without the knowledge or approval of the EIAs,
- c. 'Fraudulent Certificate' shall mean a certificate of origin obtained by an exporter from the EIAs by furnishing information which relates to Origin or consignment and which is untrue in a material particular. The acid test for the information to be 'material' is that its disclosure would have otherwise resulted into denial of certification by the EIAs,
- d. 'Forged Certificate' shall mean a certificate of origin, purportedly issued by the EIAs, bearing -
  - either an impression of stamp of EIC, and/or
  - signatures of an officer of the EIAs, that are not genuine,
- e. 'Certificate' shall mean a certificate of origin issued by the EIAs under a preferential scheme of origin.

6.3 Sanctions that could be invoked by the EIAs for a contravention are detailed at Annex 3.

- 6.4 No sanction shall be invoked without an inquiry into the case. For this purpose, a show cause notice shall be issued by the Head of the EIA to the exporter, explaining the contraventions committed by it as well as the penalties / actions contemplated by the Agency and asking the exporter to explain as to why the contemplated penalty / action may not be imposed / taken against it. Due opportunity, including personal hearing, must however, be given by the Head of the EIA to the exporter to present his case and defend itself before the proposed actions are taken / penalties imposed.
- 6.5 At the time of initiation of an inquiry against an exporter for contraventions, an Alert Notice shall be issued to all certifying officers so that they could exercise caution in issue of certificates for the same product to the same exporter during the pendency of the inquiry.
- 6.6 An officer authorised for the purpose by the in-charge of the Agency shall carry out the inquiry referred to at 6.4 above. This provision, however, shall not debar the in-charge of the Agency from conducting the inquiry himself / herself.
- 6.7 The Head of the Agency shall examine the report of inquiry and decide, on merit, the quantum of penalty to be imposed. The order imposing sanction shall be a speaking order. It shall also contain the provision for appeal by the exporter, if aggrieved by the penalty imposed, to Director, EIC. Copy of the order imposing the penalty shall also be circulated to all certifying officers for compliance and EIC for information.
- 6.8 The facility to obtain certification in a regular manner may be restored to the exporter upon a written request by the exporter provided that the Head of the Agency is satisfied that the exporter has mended his ways and would henceforth discharge his obligations under the preferential schemes of origin in a satisfactory manner.

## **7.0 APPEAL**

- 7.1 Representations from the exporters against a decision of the Agency / penalty, received within 45 days of its award by the Agency shall be considered as an appeal and referred to the Director, EIC for adjudication with background note, relevant documents and recommendations of the Head of the EIA.
- 7.2 In case the exporter makes appeal directly to Director, EIC, EIC would call for a background note relevant documents and recommendations of the Head of the EIA to enable adjudication by Director, EIC.
- 7.3 After due examination / investigation, as deemed fit, based on the merit of the case, the penalty could be waived, reduced or increased in quantum.
- 7.4 The decision of the Director, EIC shall be binding.

## **8.0 CONTRAVENTIONS BY EIA OFFICIALS**

- 8.1 The post verification investigations may bring in to light the contravention by the Agency officials by way of non-compliance to the laid down instructions and procedures.
- 8.2 Such contraventions must be analysed to establish
- a. whether the laid down instructions and procedures were easily accessible to the officials in fair discharge of their duties,
  - b. whether the officials were properly trained for the job before their induction,
  - c. whether the officials were given sufficient time to perform their functions in a fair manner,
  - d. whether the contravention was unintentional, and

- e. whether the contravention was deliberate, with a motive to benefit the exporter by way of issue of certificate which, otherwise was not allowed under the rules.

8.3 Keeping in view the analysis, appropriate measures will be taken by the Head of the EIA to ensure that such contraventions do not take place again. In case of need, the matter could also be referred to the Vigilance Division.

## **9.0 POST VERIFICATION REQUESTS FOR CERTIFICATES ISSUED BY OTHER ORGANISATIONS**

9.1 Requests received from foreign customs for post verification of certificates of origin issued by organisations other than EIAs shall be classified into following categories:

- a Preferential certificates of origin issued by other organisations authorised for the purpose by the Ministry,
- b. Preferential certificates of origin issued by organisations not authorized for the purpose by the Ministry, and
- c. Non - preferential certificates of origin issued by organisations authorised for the purpose by the Ministry.

9.2 Requests for post verification of preferential certificates of origin issued by other organisations authorized by the Ministry shall be forwarded to the organisation that had issued the certificate in the first instance, with a suitable communication to the foreign customs concerned for their follow up. Copies of such communications shall be endorsed to EIC and RMTR Division of the Ministry.

9.3 In case the requests for post verification received indicates that the CoO has been issued by an agency not authorised for the purpose, or authorised but not for the products for which CoO has been issued the concerned foreign customs shall be informed that the same may be treated as invalid. A copy of the communication shall be endorsed to the RMTR Division of the Ministry for initiating necessary action against the offending agency and also EIC for information.

9.4 Requests for post verification of non - preferential certificates of origin issued by authorised organisations shall be forwarded to the RMTR Division of the Ministry for necessary action. This shall also be brought to the notice of the foreign customs concerned for their follow up. A copy of the communication will be endorsed to EIC.

## **10.0 MODEL COMMUNICATIONS**

10.1 Model communication for seeking information from the exporter, show cause notice, etc., are detailed at Annex. 4, which may be used if felt appropriate.

**Annex-I****EXPORT INSPECTION AGENCY****POST VERIFICATION RECORD- GSP/GSTP/SAPTA/APTA/ISAF TA/  
IAPTA/ SAFTA / CECA Singapore/ EHS Indo-Thailand**

SI. No.	Reference		Scheme or Type of certificate		Exporter	Product Including HS tariff heading	Doubts raised by foreign customs	Issue for Verification	Status	Remarks
	Forms	Office of Issue	Office of Issue	No. & date						

**Annex-II**

**EXPORT INSPECTION AGENCY**

**STATUS OF POST VERIFICATION REQUEST RECEIVED BY THE AGENCY BUT PENDING  
BEYOND THREE MONTHS**

Sl. No.	Reference		Scheme or Type of certificate		Blank form purchased by	Certificate Obtained by (Exporter)	Product Including HS tariff heading	Issue for Verification	Status including reasons for delay in verification
	Forms	Office of Issue	Office of Issue	No. & date					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

**CONTRAVENTION AND SANCTIONS**  
(to be selected based on gravity of offence)

SI. No.	Contravention	Circumstances	Recommended penalties/ action
1	Non-cooperation in the post verification investigation	Breach of trust as created through submission of wrong undertaking in the application	Certification of Origin being requested by the exporter may be issued only after a thorough investigation of true origin of the products covered in each case so that EIAs, should the certificate be referred back to them for post verification, are able to attend to it themselves and are not stuck up due to non cooperation by the exporter
2	Tampering of certificate of Origin, after their issue by the EIAs	Addition/deletion, in the Certificate of Origin, of information related to consignment, or information related to origin of products/ country of import/official status of issue of certificate by the EIAs after its issue, without the knowledge or approval of the EIAs	<p>1<sup>st</sup> Offence Suspension of facilities for the goods to obtain preference in the particular preferential Scheme for a period not exceeding 3 months for first misadventure with the copies to EIC / all EIAs /all certifying authorities and RMTR Divn. of MOC&amp;I .</p> <p>2<sup>nd</sup> Offence Suspension of facilities for the goods to obtain preference in the particular preferential Scheme for a period not exceeding 6 months for such subsequent misadventure with the copies to EIC / all EIAs all certifying authorities and RMTR Divn. of MOC&amp;I</p> <p>In both cases the foreign customs are to be informed that CoO's are invalid.</p>

3.	Obtaining Certificates of Origin from EIAs through fraudulent means	Suppression of material information relating to Origin or Consignment	<p>Warning to the exporter in case the competent authority is convinced that the offence was committed inadvertently, without any malafide, provided that the firm's executive management tenders an undertaking that it shall ensure that such a misadventure is not committed again.</p> <p>Suspension of facilities for the goods to obtain preference in the particular preferential Scheme for a period not exceeding 6 months for subsequent misadventure and 12 months for the next mistake. Legal action thereafter.</p> <p>Simultaneously the foreign custom should be informed that CoO's is invalid.</p>
4	Forging of Certificates	Issuing CoO's by forging seal of EIC and/or signature of the officers of the EIAs	<p>Legal action and withdrawal of facilities for issuance of CoO's. Simultaneous information to Foreign Custom that CoO is invalid.</p>

MODEL LETTERS

To,

Name of the exporter:

Address

Subject: Post verification of GSP certificate of origin

Sir,

Certificate of origin Form A No \_\_\_\_\_ (1) \_\_\_\_\_ was issued to you by this office on \_\_\_\_\_ (2) \_\_\_\_\_ covering a consignment of \_\_\_\_\_ (3) \_\_\_\_\_ meant for \_\_\_\_\_ (4). This certificate of origin has now been referred back by the \_\_\_\_\_ (5) \_\_\_\_\_ authorities for verification of its authenticity and accuracy of information given therein, particularly the \_\_\_\_\_ (6) \_\_\_\_\_.

In view of the above, you are requested to furnish the following information/ documents \_\_\_\_\_ (7) \_\_\_\_\_, within 15 days of this letter, to enable us to complete the verification of the certificate of origin and respond to \_\_\_\_\_ (5) \_\_\_\_\_ authority.

- 1.
- 2.

Please note that in case the verification is not completed in time and a positive report not communicated to the \_\_\_\_\_ (5) \_\_\_\_\_ authorities, your importer will be required to pay full duty on the consignment exported by you which, in turn, may adversely affect your business relations with the importer.

Yours faithfully,

NOTES:

1. Serial number of Form A.
2. Date on which Form A was authenticated (ref. Box 11)
3. Name of the commodity (ref Box 7)
4. Name of the country of destination (ref Box 12)
5. Nationality of the foreign authority that has demanded verification eg. British, German, American, Canadian, French etc.
6. Reason(s) due to which the foreign authority has demanded verification – eg
  - (a) ‘Originating Status’ if the doubt is with regard to meeting the origin rules:
  - (b) ‘Issue before despatch’ in case the verification request has resulted due to the GSP being obtained after the despatch of consignment etc.
7. List of the information/ documents required to complete the verification.

To,

**Subject: Reminder for information regarding post verification of CoO no. AEI**

Dear Sir,

Please refer to the letters of even number dated-----&----- of this office regarding submission of information with respect to CoO no AEI-----  
-----The required information has not been received so far. Please note that in case the desired information (*details of the bill of materials as per the enclosed format*) is not received in this office by -----, we will be constrained to take the following actions against the Company.

(a) The foreign customs may be informed that the exporter is not furnishing the information essential for establishing the origin of the goods and as such, the case does not deserve preferential duty treatment. As a natural consequence, your importer will have to pay full duty on the consignment.

(b) Action may be initiated for issue of directions may to the Export Inspection Agencies not to issue any more certificates of origin in favour of M/S -----,-----unless they furnish the required information to this office.

You are therefore requested to provide the required information immediately.

Yours faithfully,

(-----)

Encl: as above.

Enclosure to letter no .....

**FORMAT**

- a) Product & its HS Tariff Heading :
- b). Ex-works price :
- c) Bill of materials details :

SI. No.	Item of the bill of materials .	HS Tariff Heading	Country of origin	Value
(1)	(2)	(3)	(4)	(5)

**NOTE:**

1. Value of non-originating inputs is defined as their CUSTOMS VALUE at the time of importation into India. If it is not known or cannot be ascertained, the first ascertainable price paid for them in India is taken as the value of non-originating inputs.
2. Ex-works price is defined as the price paid to the manufacturer in whose undertaking the last working or processing is carried out, provided the price includes the value of all products used in the manufacture, minus any internal taxes which are, or may be, repaid when the product obtained is exported.
3. Different cost - sheets are to be submitted for different products.

**REGISTERED POST**

**Subject: Order for non-issuance of CoO's due to non-compliance.**

**ORDER**

WHEREAS it was observed by Export Inspection Agency -----  
--, Sub Office -----that M/S -----,-----were  
obtaining certificates of origin  
under the criteria "Wholly obtained in India" while using non -  
originating / imported raw materials / components;

WHEREAS M/S-----,----- were advised by Export  
Inspection Agency- -----, Sub Office----- to  
furnish information essential for determining origin of their goods,  
latest by -----,

WHEREAS M/S-----,-----, did not furnish the  
required information;

It has, therefore, been decided that the Export Inspection Agencies will  
not issue any certificate of origin in favour of M/S .....,  
....., till further orders

(-----)

**To,**  
**M/S-----,**  
-----,  
-----,  
-----,

To,

**Subject Abuse of GSP facility-- Show Cause Notice - regarding.**

Dear Sir,

The General Directorate of Customs and Excise, Greece had referred for verification, one certificate of origin form A no. 12345678 covering a consignment of 66 boxes of assorted automotive machined castings against invoice no dated with doubt over the stamp / seal of the certifying authority.

2. The above certificate of origin was purported to have been issued by Sub-Office:.....of Export Inspection Agency.....on.....

3. Investigations carried out by this office revealed that

(a) M/S .....,had purchased blank certificate of origin forms bearing nos. 12345670 to 12345680 (No 12345678 included) from EIA-....., Sub-Office.....

(b) Sub-Office: .....of Export Inspection Agency-.....had not certified / authenticated form A No. 12345678,

(c) Impression of the stamp used to authenticate form A No 12345678 is different from the official stamp used by EIA-..... the authentication of the certificates of origin, and

(d) Signature on certificate of origin form A No 12345678 is not of any official posted at Sub-Office:.....

4. The above would demonstrate that M/S ..... fabricated the above-mentioned certificate of origin in the name of EIA-..... Sub-Office.....

---

5. M/s ....., are, therefore, required to show-cause as to why sanctions involving one or all of the following may not be invoked against them.

- ◆ Withdrawal of preferential tariff treatment accorded by the Greek customs for the consignment covered by the certificate.
- ◆ Suspension of the facility for their goods to obtain certificates of origin under any unilateral / bilateral / multilateral preferential scheme, in future.
- ◆ Legal penalty

6. M/s....., may also state whether a personal hearing is desired, if no, reply is received by ....., action will be initiated ex-parte.

Yours faithfully,

(.....)

**REGISTERED POST**

(Subject: Order for withdrawing issuance of CoOs by EIA (Legal Action))

**ORDER**

WHEREAS the General Directorate of Customs and Excise, Greece had referred for verification, one certificate of origin form A no. 12345673 covering a consignment of 66 boxes of assorted automotive machined castings exported by M/s..... invoice no..... dated..... with doubt over the stamp / seal of the certifying authority;

WHEREAS the above certificate of origin was purported to have been issued by Sub-Office:.....of Export inspection Agency..... on .....,

WHEREAS investigations carried out by Export Inspection Council revealed that

- a) M/S....., ..... had negotiated the above certificate of origin with main branch of ..... (Bank),.....for release of payment / credit,
- b) M/S .....had purchased blank certificate of origin forms bearing nos. 12345670 to 12345680 (No. 12345678 included) form EIA-....., Sub-Office.....,
- c) Sub-Office:.....of Export Inspection Agency-..... had not certified / authenticated form A No. 12345678,
- d) Impression of the stamp used to authenticate form A No. 12345678 is different from the official stamp used by EIA-..... for authentication of the certificates of origin, and
- e) Signature on certificate of origin form A No. 12345678 is not of any official posted at Sub-Office.....,

WHEREAS the above demonstrated that M/S .....had fabricated the above-mentioned certificate of origin in the name of EIA - ..... Sub-Office.....,

WHEREAS M/S....., ..... were asked to show-cause as to why sanctions involving one or all of the following may not be invoked against them;

- Withdrawal of preferential treatment / certificate of origin,
- Suspension of the facility for their goods to obtain preferential duty treatment, in future,
- Legal penalty,

WHEREAS M/S.....,..... could not explain their conduct satisfactorily and treated the matter casually by stating that “.....”

WHEREAS M/S...../ were also given an opportunity for personal hearing which they did not avail of:

WHEREAS it has been established that certificate of origin Form A No. EI 1234567S with forged signatures and stamp was utilised by M/S ...../ and whereas a company is responsible for the conduct of its employees and agents;

NOW, THEREFORE, after due consideration, it has been decided to impose following sanctions on M/S .....,.....

1. Suspension of the facility for their goods to obtain preferential duty treatment, in future, under any unilateral / bilateral / multilateral scheme, Export Inspection Agencies shall, henceforth not issue any certificate of origin in favour of M/S .....,..... till further orders.

2. Initiation of legal penalty. Export Inspection Agency ..... sub office shall lodge a complaint against M/S....., with the local police for forging certificate of origin Form A No EI 12345678 in their name.

Register /AD

To;

**Subject: Restoration of Facility for obtaining Certificates of Origin.**

Dear Sirs,

This refers to this office order of even number dated / on the subject cited above.

During the investigations carried out on the request of Export Inspection Agency

..... Sub Office.....,/ it was observed that you obtained the certificates of origin for..... from Sub Office..... under criteria “P” while using imported components in its manufacture.

This investigation also revealed that the questioned consignments were not meeting the rules of origin applicable. However, in view of the fact that during the personal hearing, you accepted your mistakes and assured compliance to rules in future, **facility for your goods to obtain certificates of origin is hereby restored with the warning that you should be very careful n future in declaring the origin of the goods being exported by you. Strict action will ensue in case similar lapse is observed in future.**

Henceforth, certificates of origin will be issued to you by Sub Office..... provided the products are adjudged to be complying with the rules of origin applicable to them.

Please acknowledge receipt.

Yours faithfully

(.....)

To,

The Regional Development Office of the Central Silk Board,

.....,  
.....,  
.....,

**Subject: Post verification of GSP Certificate of Origin Form A  
No.....**

Dear Sirs,

Please find enclosed letter no.....dated..... of.....  
Customs requesting for post verification of subject certificate issued by your  
office on .....to M/S.....

Kindly arrange for the needful and communicate the result directly to  
the..... Authority under intimation to this office. The  
certificate of origin received in original may also be returned to the Portuguese  
Authority along with your reply.

Yours faithfully,

(.....)

Encl.: a/a

CC to:

1. Mr...../ (foreign customs),..... with the request that  
all further correspondence in this respect be addressed to  
.....(the addressee or the Indian authority that had issued  
the certificate).
2. The....., RMTR Division, Department of Commerce,  
Ministry of Commerce & Industry, Udyog Bhavan, New Delhi - 110 011  
along ..... with  
copy of communication number.....dated.....  
of.....Customs.

To,

The.....,  
(Foreign Customs),  
.....,

**Subject Post verification of GSP Certificate of Origin Form A No**  
.....

Dear Sirs,

Please refer to your communication number..... dated ..... on the subject cited above.

As the subject certificate was not issued by any of the designated governmental authorities, the same is being forwarded to the ....., RMTR Division, Department of Commerce, Ministry of Commerce & Industry, Udyog Bhavan, New Delhi -110 011 for further action.

Yours faithfully

(.....)

CC:

1. The....., RMTR Division, Department of Commerce, Ministry of Commerce & Industry, Udyog Bhavan, New Delhi 110 011 along with copy of communication number..... dated..... and the subject certificate in original, for necessary action. Similar cases pertaining to the..... were forwarded to MOC vide this office letter of even number dated..... and .....
2. The Director General of Foreign Trade, Ministry of Commerce & Industry, Udyog Bhavan, New Delhi-110 011 ... with the request to initiate necessary action against the .....(errant organisation) under the FTDR Act for issuing the certificate of preferential origin, in terms of OM number 17/ 5 / 2002 — RMTR dated 10.12.2002 of the Ministry.
- 3 The ....., EIC, for information.

To;

**Subject: Post verification of certificate of origin Form A No. EI  
.....of M/S .....,.....**

Dear Sir,

This refers to your office letters no. dated....., on the subject cited above.

Investigations carried out have revealed that the office indicated therein did not issue the subject certificate. The impression of the stamp of the office and signatures of the Certifying Authority are not genuine.

Yours faithfully,

(.....)

To,

Subject: Subsequent verification of certificates of origin issued to  
M/s.....

Dear Sirs

This refers to your office letter no..... dated.....  
requesting subsequent verification of following certificates of origin issued to  
M/s.....

No	Certificate of Origin Number & date	Invoice number and date
1.		
2		
3.		
4.	.	.

Investigations carried out have revealed that the certificates of origin were obtained by concealing use of non-originating non-metal components of heading ..... The Leather Footwear covered under the above-mentioned certificates of origin was, therefore, not meeting the origin criteria prescribed for it under the GSP of European Communities.

Yours faithfully,

(.....)

EXPORT INSPECTION AGENCY \_\_\_\_\_

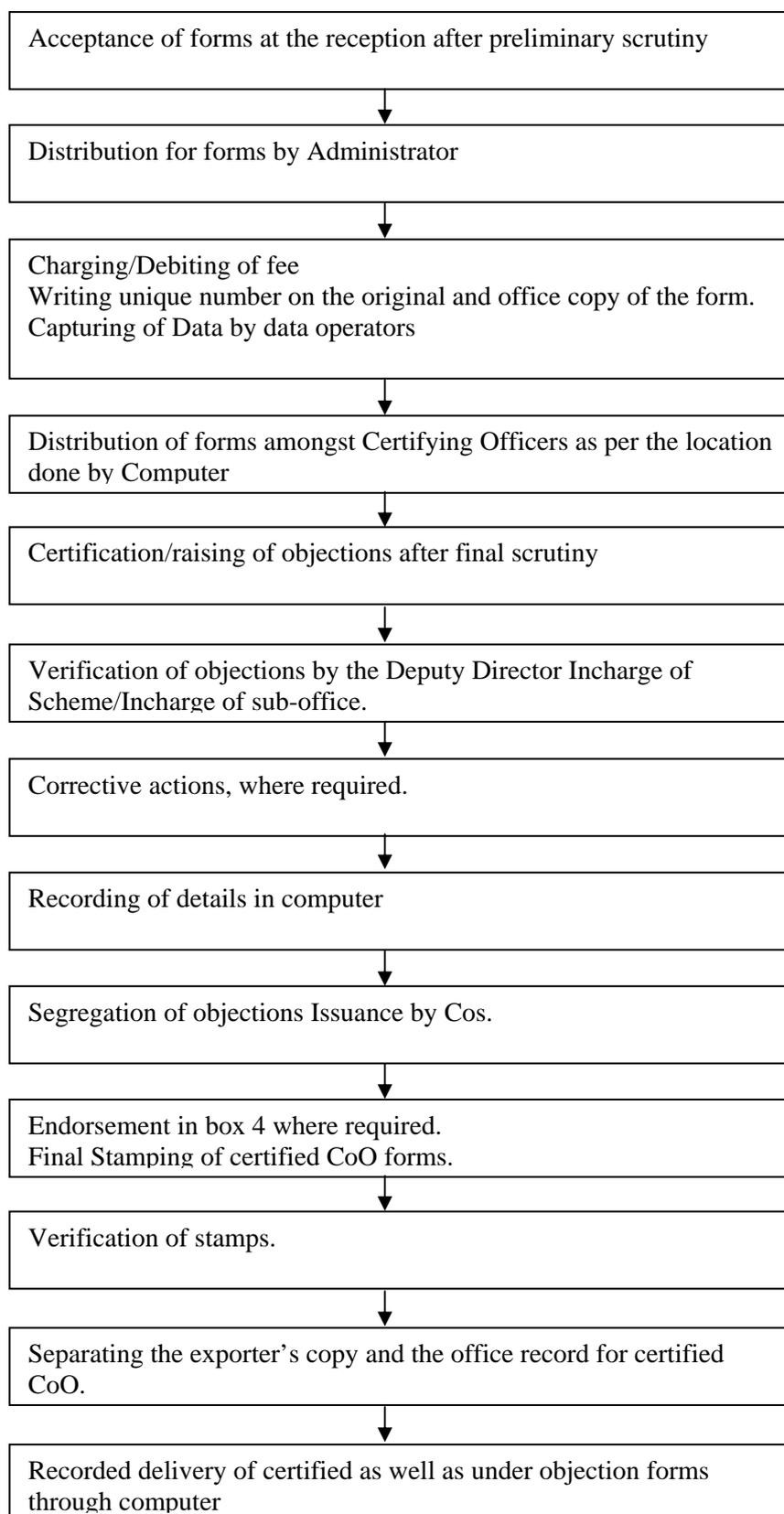
**STATEMENT OF POST VERIFICATION (PV) FOR THE MONTH OF**  
**\_\_\_\_\_ GSP/GSTP/SAPTA/APTA/ISAFTA/IAPTA/**  
**SAFTA / CECA Singapore/ EHS Indo-Thailand**

SI. No.	Scheme	PV request		PV request pending more than 3 months			Replied	
		Received during this month	Upto this month	During this month	Upto this month	Reasons for delay	During this month	Upto this month
1.	2.	3.	4.	5.	6.	7.	8.	9.

## Annex II

### FEE STRUCTURE

S.No.	Scheme	Sale price of blank form	*Certification fee	Fee for physical verification
1.	GSP	Rs.25/- per set	Rs. 350 per set + service tax as applicable	Travel & stay for Cos to be borne by exporter
2.	GSTP	Rs.25/- per set	Rs. 350 per set + service tax as applicable	-do-
3.	Asia Pacific Trade Agreement (APTA)	Rs.25/- per set	Rs. 350 per set + service tax as applicable	-do-
4.	-SAPTA	Rs.25/- per set	Rs. 350 per set + service tax as applicable	-do-
5.	-ISFTA -IAPTA -EHS under ITFA -CECA with Singapore -SAFTA	Rs.25/- per set	Rs. 350 per set + service tax as applicable	Rs. 2500/- per man day (to be realized on per consignment basis) plus Travel and stay for Cos to be borne by exporter
6.	India-MERCOSUR	Rs.25/- per set	Rs. 350 per set + service tax as applicable	Travel and stay for Cos to be borne by exporter
7.	India-MERCOSUR	Rs.25/- per set	Rs. 350 per set + service tax as applicable	-do-
8.	ASEAN-India FTA	Rs.25/- per set	Rs. 350 per set + service tax as applicable	-do-

**WORK FLOW (OF CoO FORMS)**

## RECORD FORMAT

## EXPORT INSPECTION AGENCY- .....

Unique No.	Exporter	Form No	Item/ product	<u>Invoice</u>			Country of destination	Receipt No./L.F No.	Certification status/ certifying officer
				Number	Date	Value (Rs.)			
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>

**CoO FEEDBACK FORMAT****STATEMENT FOR THE MONTH OF:  
EXPORT INSPECTION AGENCY:**

S.No.	SCHEME	OFFICE	NO. OF BLANK FORMS SOLD		NO. OF CERTIFICATES ISSUED		NO. OF CERTIFICATES ISSUED UNDER TATKAL		STOCK OF BLANK FORMS AS ON THE LAST DAY OF THE MONTH
			During the month	Up to the month	During the month	Up to the month	During the month	Up to the month	
1	2	3	4	5	6	7	6	7	8

**ANNEX-VI**

WE SOLEMNLY DECLARE THAT CERTIFICATE OF ORIGIN No -----

DATED ----- ISSUED IN FAVOUR OF M/S. ----- BEARING  
INVOICE NO. ----- DATED ----- ISSUED FROM EXPORT INSPECTION  
AGENCY- .... HAS BEEN LOST /MISPLACED WITHOUT HAVING BEEN UTILISED  
AND THE AFORE SAID CERTIFICATE IF TRACED LATER ON WILL NOT BE UTILISED  
AND WILL BE SURRENDERED TO THE EXPORT INSPECTION AGENCY -...  
FOR CANCELLATION

WE FURTHER DECLARE THAT WE ARE FULLY LIABLE FOR ANY ACTION IN THE  
EVENT OF THE MISUSE OF AFORESAID CERTIFICATE EITHER BY US OR ON ACCOUNT  
OF US AND WE AGREE TO KEEP THE EXPORT INSPECTION AGENCY- .....  
INDEMNIFIED AGAINST SUCH MISUSED

SIGNATURE

NAME/DESIGNATION  
OF THE SIGNATORY

SEAL OF THE EXPORTER

DECLARATION

VERIFIED AT NEW DELHI ON THIS..... DAY OF ..... 2006 THAT THE  
CONTENT OF THE ABOVE AFFIDAVIT ARE TRUE AND CORRECT TO MY KNOWLEDGE  
AND BELIEF.

SIGNATURE

SEAL OF THE EXPORTER

