

# Certificate of Origin

Services of the Medicine Hat & District  
Chamber of Commerce

## **I. Use/Purpose of Certificates of Origin**

Although Certificates of Origin have been in existence for many years, it was not until 1923 that their issue, and the associated certification of other export documents, was first regularized. This came about under the provisions of the International Convention relating to the Simplification of Customs Formalities held in Geneva. Under those provisions, national governments were allowed to delegate the administration of the certification scheme to suitable organizations.

There does not appear to be any widely accepted legal requirements for documents to be certified. International Trade or customs agreements do not call for such procedures, but in many countries (especially in the Middle-East and Asia), there is a requirement or an understanding that the stamp or seal of a Chamber on a document lends credibility, authenticity or third party veracity to what is stated in the document. These countries will consistently look for a Chamber stamp before either letting goods into a country or processing exporter requests for entry procedures.

The act of certification or legalization involves providing an acknowledgement of the authenticity of signature or documents.

A Certificate of Origin is a document which states the origin of goods being exported. In customs terms, determining the 'origin' of a good can be a complicated and contentious procedure. However, determining the origin of an exported good is one of the key bases for applying tariff and other important criteria.

### **Use of the Certificate of Origin**

1. Certificate of Origin are intended solely to prove the origin of goods in order to satisfy customs or trade requirements.
2. Certificates should be issued only where they are actually required. Only the importer knows if a certificate is actually needed and he/she should request it.

## II. Definitions and Language

**Certificate of Origin:** a printed form for completion by the exporter or his agent and certification by an authorized issuing body, certifying the origin of the good specified therein.

The application form shall be printed in the official language, or in one or more of the official languages, of the exporting country.

The Certificate of Origin form shall be printed in one or more of the official languages of the exporting country (or community) or, depending on the practice and requirements of trade, in any other language.

Documentary Evidence of Origin shall be issued in the English language, or another language according to commercial custom. If the importing country demands a translation of a Certificate of Origin this may be provided in addition to the English version but not in place of it. To facilitate the issuing of a certificate in such circumstances the Chamber shall hold an official translation of the certificate and copies of these shall be made available to issuing Chambers upon request.

The term “documentary evidence of origin” means a Certificate of Origin, a certified declaration of origin or a declaration of origin; the term “Certificate of Origin” means a specific form identifying the goods, in which the authority or body empowered to issue it certifies expressly that the goods to which the certificate relates, originate in a specific country. This certificate may also include a declaration by the manufacturer, producer, supplier, exporter, or other competent person.

The term “certified declaration of origin” means a “declaration of origin” certified by an authority or body such as an authorized Chamber of Commerce & industry empowered to do so.

The term “declaration of origin” means an appropriate statement as to the origin of the goods made, in connection with their exportation, by the manufacturer, producer, supplier, exporter or authorized agent/person on the commercial invoice or any other document relating to the goods.

Note: the statement may be worded as follows:

“The country of origin of the goods described herein is...”

The term “Certified Invoice” means a commercial invoice on which the exporter has declared the country of origin of the goods, or has given a certificate required by the authorities of the country to which the goods are to be exported for certification by a Chamber of Commerce & Industry.

### **III. Authority of the Chambers of Commerce and Industry**

The role of chambers of commerce delivering certificates of origin can be traced back to the 1923 Geneva Convention relating to the Simplification of Customs Formalities (Article 11) (eventually updated by the Kyoto Convention).

Under the Convention, its signatory governments were obliged to make the process and procedures as simple as possible for companies requiring certificates of origin. In addition, it was specified that the State may allow these certificates to be issued by other organizations, “which possess the necessary authority and offer the necessary guarantees” to the State. Thus due to the widespread network of the chamber of commerce community in nearly all countries around the world, and its facility and ease, plus respected reputation of serving the business community, in most countries, chambers of commerce issue certificates of origin.

The responsibility for the issue of Certificates of Origin is restricted to any organization that can be classed as a “reliable authority or agency duly authorized for that purpose by the country of issue.”

Such authorization binds the issuing body to act at all times in accordance with the agreed conditions, rules and instructions.

#### **IV. Place of Issue/Issuing Facilities**

The Chamber of Commerce which issues the certificate will do so from their company's office.

The issuing body must show that it can provide adequate facilities at the place of issue for the provision of satisfactory service to applicants for certificates.

All issuing bodies need to maintain certain minimum records and files if they are to discharge their responsibilities. These can be classified into three types”

- a) Records and files relating to applicant companies
- b) Storage provision affecting two areas:
  - i. Stockholding of supplies and blank forms
  - ii. Storage of certificate applications together with relevant supporting evidence
- c) General administration and financial records

All records must be kept under strict security to safeguard confidential trade information with appropriate penalties for disclosure.

All of these operations, whilst routine in nature, are vital to the smooth running of certificate operations generally. The importance of efficient management of these areas becomes obvious in the event of challenge to, or requests for verification of, certifications granted. Attention to detail needs to be maintained just as much in back-office operations as in front-office work.

Records and files relating to applicants need to be maintained in respect of:

- a) The applicant's member status
- b) Formal Undertakings given to the issuing body by the applicant
- c) Names and specimen signatures of applicant's authorized personnel
- d) Forwarding agent authorized to act on behalf of consignors
- e) Records of any arrangements covering:
  - i. Standing documentary evidence lodged for use over a period
  - ii. Specific indemnities given other than Formal Undertakings
- f) Certification application and their supporting evidence (if requested by the Chamber of Commerce)

Formal Undertakings and records of applicant authorization of specified individuals as signatories are recommended elements of the certification process. Formal Undertakings should be renewed at least every two years. Authorized Signatories should be constantly updated by applicants when changes occur, but, as this requirement can be easily overlooked, issuing bodies should formally request an updated list from applicants on an annual basis.