



AUSTRALIAN CUSTOMS NOTICE NO. 2009/16

Singapore Australia Free Trade Agreement – changes to Certificate of Origin requirements

The Singapore-Australia Free Trade Agreement (SAFTA) entered into force for Australia on 28 July 2003. The SAFTA provided for Ministerial reviews of the SAFTA to allow for the SAFTA to be amended ensuring that the SAFTA remains relevant and able to offer additional benefits to business.

At the Ministerial Review of the SAFTA, the parties agreed to amendments to Articles 11 and 12 of Chapter 3 of the SAFTA to incorporate changes to Certificates of Origin (CoO) and Declaration requirements.

Under the SAFTA, an importer of goods from Singapore into Australia requires a CoO (issued by the Government of Singapore) and a Declaration (made by the Singaporean exporter) in order to claim a preferential rate of duty for the goods under the SAFTA.

Under previous Articles 11 and 12 of Chapter 3 of the SAFTA, a CoO could be used for multiple shipments of goods to which that Certificate relates within two years of its issue, provided that the first shipment occurred within the first year of issue. By contrast, an accompanying Declaration must have been made for every shipment of the relevant goods. Further, both the CoO and Declaration must have been issued or made and possessed by the importer before the goods to which these documents relate were exported. Both documents were also required to be produced by the importer to an officer of Customs and Border Protection upon request.

New documentary requirements under the SAFTA enable a CoO to be used for a single shipment (provided it is used within a year of its issue) or for multiple shipments (provided the shipments occur within two years of its issue and the first shipment occurred within the first year). Where a CoO is used for a single shipment of goods, a Declaration is not necessary. Where a CoO is used for multiple shipments of goods, a Declaration is not necessary for the first shipment but is required for every subsequent shipment. At a practical level, this will mean that a Declaration will not be required by the importer for the first shipment of goods specified in a CoO.

The amendments will also require both the CoO and Declaration, if required, to be issued and possessed by the importer before the goods to which the documents relate are entered in Australia, as opposed to before the goods are exported. This provides more time for the CoO and the Declaration to be obtained.

The CoO and the Declaration, where required, must still be produced to an officer of Customs and Border Protection upon request.

Subsection 153VE(1) of the *Customs Act 1901* has been repealed and substituted by a new subsection. New subsection 153VE(1) implements the new documentary requirements under the amendments with respect to a claim for preferential tariff treatment for goods imported from Singapore. New subsection 153VE(1) provides that goods claimed to be the produce or

manufacture of Singapore (and thereby eligible for preferential tariff treatment under the SAFTA as implemented in the *Customs Tariff Act 1995*) are not the produce or manufacture of Singapore unless:

- at the time of entry of the goods, the importer of the goods holds a valid CoO relevant to those goods;
- if, at the time of entry of the goods, the importer of the goods has previously used that CoO in respect of goods of the same kind — at the time of entry of the goods to which the claim relates the importer of those goods also holds a Declaration relevant to those goods; and
- if an officer requests production of a copy of any document that the importer of the goods is required to hold under paragraph (a) or (b)—a copy of that document is produced to the officer.

These changes take effect from 27 March 2009.

Inquiries concerning this notice may be directed to origin@customs.gov.au, or to the Valuation and Origin Section on telephone number (02) 6275 6556, or fax number (02) 6275 6477.

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