

III WCO Global Origin Conference



Panel Discussion 4: Digitalisation Accelerating Paperless Trade

Enhancing Trade Facilitation through Digitalization: Chile's Perspective

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Trade Facilitation through Origin Certification



Trade Facilitation through Origin Certification



- Our country, as has been commented on different occasions and presentations during this conference, has 33 economic-trade agreements with more than 65 economies in the world and that provides coverage for 88% of the global GDP, reaching more than five billion people. This extensive network of agreements generates for Chile a great commitment to Trade Facilitation.
- Over the economic-trade agreements we have in force that have trade in goods and rules of origin chapters, 19 have an origin **certification by competent authority scheme**, and 10 have a **self-certification** scheme.
- Chile is part of the 156 WTO Members that have domestically ratified the Trade Facilitation Agreement. Our country notified the implementation of all TFA provisions in **category A** at the time the agreement entered into force.





Trade Facilitation through Origin Certification



- After the COVID-19 pandemic situation, Chile decided to learn from what happened during those difficult times to capitalize on the lessons learned and face similar situations better in the future.
- A particular example regarding international trade is the **certification of origin when it refers to certification by a competent authority scheme**.
- For this reason, we begin conversations with the competent authorities, which may be public institutions such as the General Directorate for Export Promotion (**PROCHILE**) or delegates to private institutions such as the Federation of Chilean Industry (**SOFOFA**) or the Central Unit of Certification of Origin (**UCCO**) on how to improve Certification of Origin issuance procedures to facilitate trade for our stakeholders.



Trade Facilitation through Origin Certification

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- As a result of these conversations, the idea of **issuing certificates of origin with digitally inserted signatures and seals arose**. This issuance procedure does not require physical movement to request or pick up the certificates of origin and is based on the development of highly secure platforms for their issuance.
 - This procedure seeks to favor and **promote trade facilitation by promoting the “paperless trade” process and reducing the mobility of people in the issuance of the certificate of origin process**.
 - Under this procedure, interested operators must register with the competent authorities to be created as users of the platform for the issuance of certificates of origin on which they can make their requests of issuance. On the same platform, they can upload the documents that support their request, which once uploaded are reviewed by specialists from the competent authorities and if it is established that they comply with the regulations of the agreement they applied to operate, the certificate will be issued with digitally inserted signatures and seals.
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Trade Facilitation through Origin Certification



- Once the certificate is issued, it is sent to the applicant by email and is made available for download on the issuing platform through a **PDF document**. This **high-security PDF document is the original of the certificate of origin** and can be sent by email or printed depending on the case in question to be presented to the competent authorities.
- As an **additional safety mechanism**, a **QR code** is also inserted in the Certificate of Origin. When this **QR code is scanned it displays an image of the certificate**, which **facilitates the inspection and validation of the CO for both operators and customs authorities**. Additionally, the competent entities developed a special platform for the verification of COs issued under this procedure, which allows the supervising customs authorities to fulfill their role in a simple and efficient manner.
- At this date we successfully implemented this issuance procedure with Thailand (2021), Ecuador (2023), and China (2023).




**CERTIFICADO DE ORIGEN
ACUERDO DE INTEGRACIÓN COMERCIAL
ENTRE LA REPÚBLICA DE CHILE Y LA REPÚBLICA DEL ECUADOR**

Certificado N° 3370061175

1. País de exportación: CHILE	2. País de importación: ECUADOR
3. Nombre y domicilio del exportador: EMPRESA EXPORTADORA DE CHILE CALLE N°, COMUNA DE SANTIAGO, CIUDAD DE SANTIAGO, CHILE Teléfono: 223654086 Correo electrónico: empresa.exportadora@empresa.cl Número de Registro Fiscal: 8493336-S	4. Nombre y domicilio del productor: AGRICOLA UNIFRUTTI SPA FUNDO LOS CEREZOS S/N, CAMINO EL CEREZO, CURICO CHILE Teléfono: 223654079 Correo electrónico: productor.prueba@productor.cl Número de Registro Fiscal: 8493336-S
5. Nombre y domicilio del importador: IMPORTADOR PRUEBA ECUADOR CALLE ECUADOR N° 12345 ECUADOR Teléfono: 123452222 Correo electrónico: importador@importador.ec Número de Registro Fiscal: 1790016919001	

6. Número de ítem	7. Clasificación arancelaria	8. Descripción de la(s) mercancía(s)	9. Criterio de origen	10. No. Factura(s) comercial(es)	11. Cantidad y unidad de medida
1	0806.10	1920 CAJAS DE UVAS FRESCAS	A	1256	20.960,00 KILOS NETOS

12. Observaciones:
Operación facturada por un operador de una no Parte

13. Declaración del exportador:
El que suscribe declara que las mercancías arriba designadas cumplen las condiciones exigidas para la emisión de este certificado.
Este Certificado se compone de 1 hojas, incluyendo todas sus hojas anexas.
Nombre EMPRESA EXPORTADORA DE CHILE Firma 
Fecha: 27/07/2022

14. Certificación de la autoridad competente o entidad habilitada para la emisión de certificados de origen:
Certifico la veracidad de esta declaración
Nombre MAURICIO GARCÍA GONZÁLEZ Firma 
Fecha: 27/07/2022 Sello  



Subsecretaría
de Relaciones
Económicas
Internacionales

Gobierno de Chile

Acceptance of Copies of Certificates of Origin



Acceptance of Copies of Certificates of Origin



- In confirmation of the Commitments made in the WTO Trade Facilitation Agreement with regard to article 10.2 Acceptance of Copies.
- Chile adopted as its practice since 2019 to accept copies of certificates of origin to apply for preferential tariff treatment at the time of importation (**National Customs Service, customs resolution N° 2484-2019**).
- https://www.aduana.cl/aduana/site/docs/20190116/20190116114933/res_n_2484_29_05_19_tlcs_c_o_original_o_copia.pdf
- This general rule applies to all in-force trade agreements that don't expressly require the submission of the original CO. The exception applies to 4 over 29 in-force agreements.
- This practice facilitates trade requiring the presentation of a copy that must be readable and legible.



Promoting Self Certification Scheme



Promoting Self Certification of Origin Scheme



- Chile has considered adopting a self-certification of origin scheme in most of its new negotiation processes. As commented before 19 of the in-force agreements have Certification by Competent Authority Scheme and 10 have Self Certification of Origin Scheme.
- This approach was considered in the Modernization process with the European Union (EU), European Free Trade Association (EFTA), and CPTPP.
- Chile prefers to allow Exporters or Producers to issue Certificates of Origin because they usually have the best knowledge of compliance with the Origin regime they pursue to benefit from its preferential tariff treatment.
- In the US-Chile FTA and CPTPP, we allow exporters, producers, and importers to certify origin.



Promoting Self Certification of Origin Scheme



Self - Certification scheme in force trade agreements:

- Australia (Exporter)
- Canada (Exporter or Producer)
- Central America (Exporter)
- Korea (Exporter)
- EE.UU (Producer, Exporter or Importer)
- Hong Kong, SAR, CHINA (Exporter)
- Mexico (Exporter)
- P4 (Exporter or Producer)
- Panama (Exporter)
- CPTPP (Producer, Exporter or Importer)



Promoting Self Certification of Origin Scheme



Benefits of a Self-Certification of Origin Scheme

- Reduce the costs and time to issue a CO
- Reduce the risk of denial of preferential tariff treatment due to the reasons traders cannot control or correct.
- **Empowerment of trade operators/accountability on the CO-issued**
- Reduce Customs administrative burden to check the authenticity of the issued CO, **allowing to focus on examining the originating status of the goods.**



Conclusions



Final Thoughts and Conclusions:



Chile is committed to trade facilitation through the digitalization of certification of origin issuance procedures. Likewise, have challenges as follows:

- Simplification of the drafting for Rules of Origin and Product Specific Rules.
- Disseminate and socialize the Rules of Origin chapters and certification of origin schemes.
- Strengthen capacity building for operators with an inclusive focus (SMEs and MYPYMEs).
- Develop practical and didactic tools that promote understanding and compliance with rules of origin regimes.
- Create public-private coordination in the detection of training needs.
- Strengthen cooperation and best practices and experiences sharing, for example, regarding the WTO Trade Facilitation Agreement.



Thank you



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