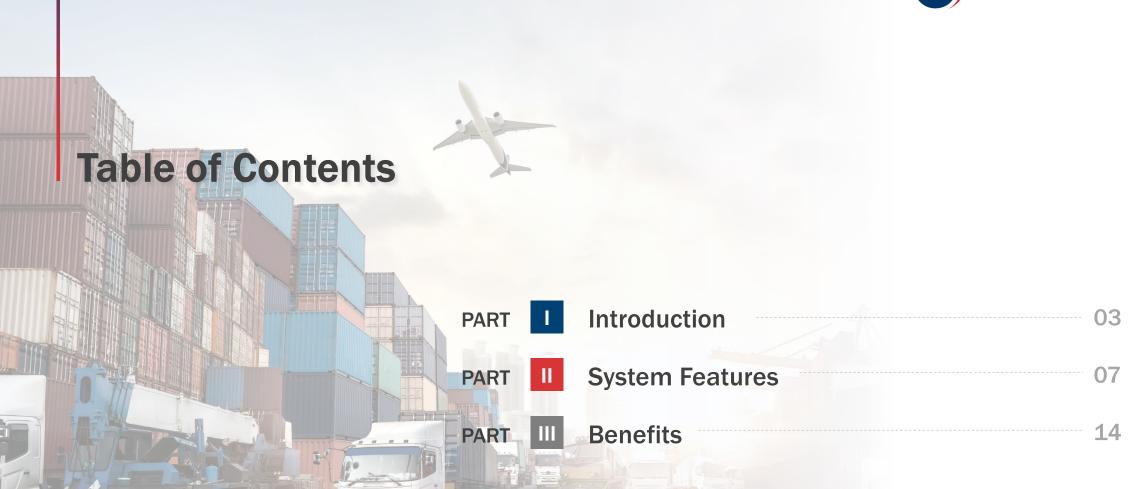
# **FTA-PASS**

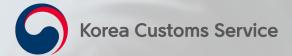
# Transforming Origin Management with Digitalization







#### **Growing Numbers of Trade Agreements**





21 Agreements in effect with 59 countries
And More...

**Share of Trade Volume with FTA Partner Countries** 

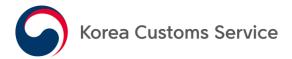
**Trade with FTA Partner Countries, 78.3%** 

Non-FTA Trade

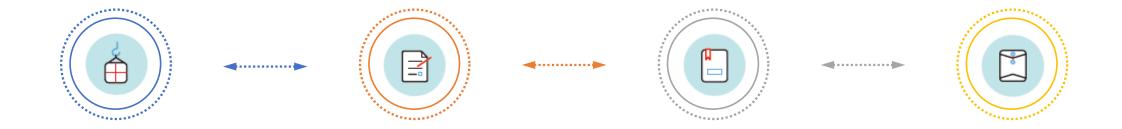
Opportunities and challenges from proliferation of FTAs and rules of origin



#### **Growing Needs for Origin Management**



#### Origin management needs expertise and resources...



#### **Select goods**

- Select which goods to export and which FTA to utilize
- Prepare a bill of materials (BOM) for the goods

# Rules of origin / Classification

- Check rules of origin of the goods
- Classify materials and goods in HS codes
- Value the goods and materials

# Originating status

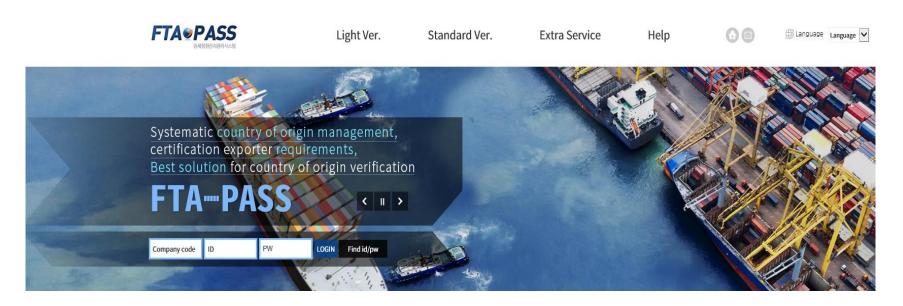
 Determine if the goods meet origin criteria of the FTA to utilize

# Proof of origin / Record keeping

- · Get proof of origin
- Keep documentary evidence of origin
- Respond to retroactive origin verification







#### FTA-PASS is a solution for origin management

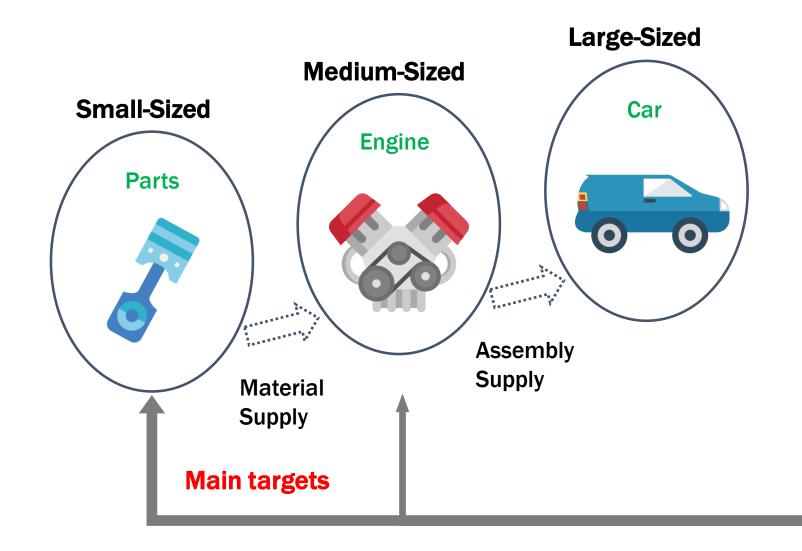
- Developed by KCS
- Launched in 2010 and is used by 28,997 businesses (as of Sep. 2023)
- Issued 478,900 cases of origin-related documents
- Visit http://www.ftapass.or.kr

#### **Target Users**



## Wide range of users

- Small, medium, largesized companies
- For manufacturers, distributors and all



## **Key Functions**





#### **Data management**

Helps manage origin-related data

(e.g. buyer, seller, goods, materials, BOM and HS codes)



#### **Origin calculation**

Determines origin of goods under Rules of Origin of all FTAs in effect



#### **Documentation**

**Applies for CO** 

Issues Origin
Declaration &
documents

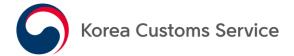
Communicate origin documents



#### **Verification Support**

Keeps record and provides forms to support origin verification

#### **System Components**





Master

Client

**Material & Product List** 

**BOM** 

**Transaction** 

**Material Price** 

Certificate of Origin (Received)

**Product Price** 

#### Calculation

**Origin Calculation** 

**Calculation History** 

#### **Documentation**

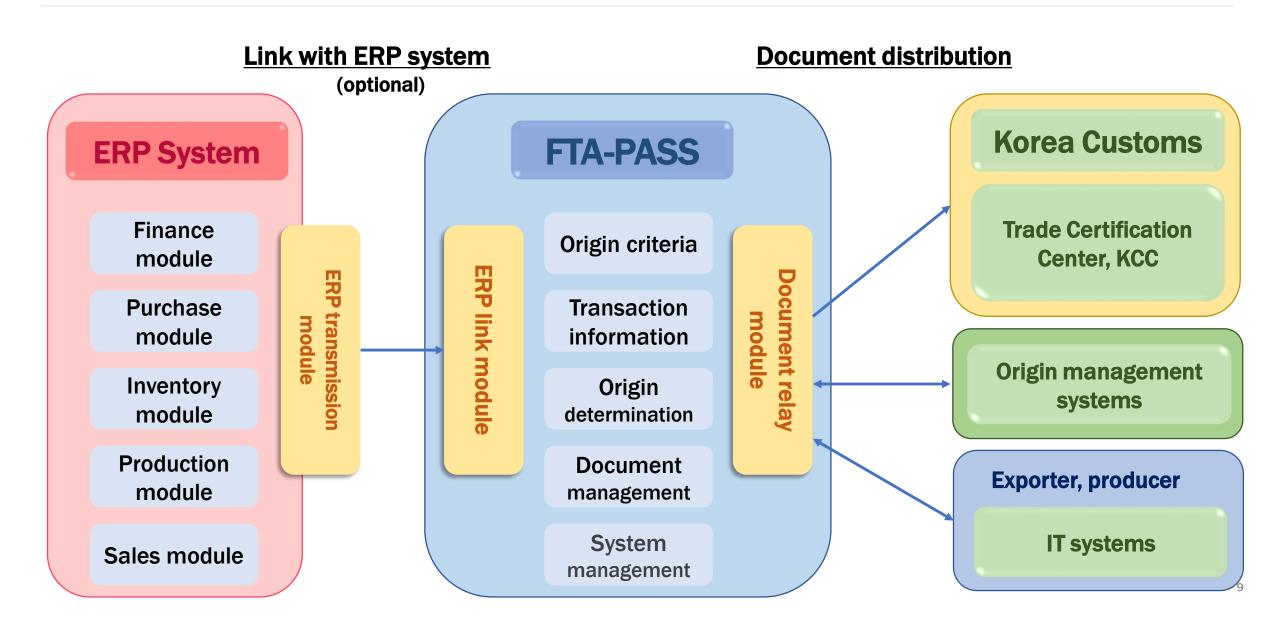
**CO Application** 

**Self-Issued CO** 

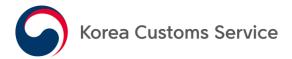
**Local CO Issue** 

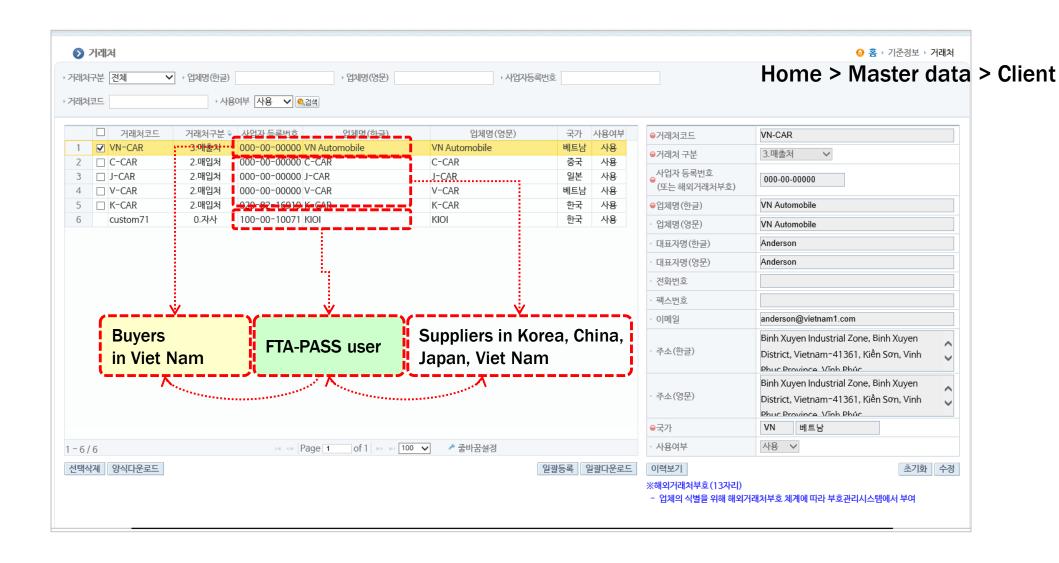
# **Link with External Systems**



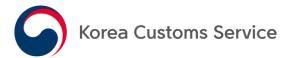


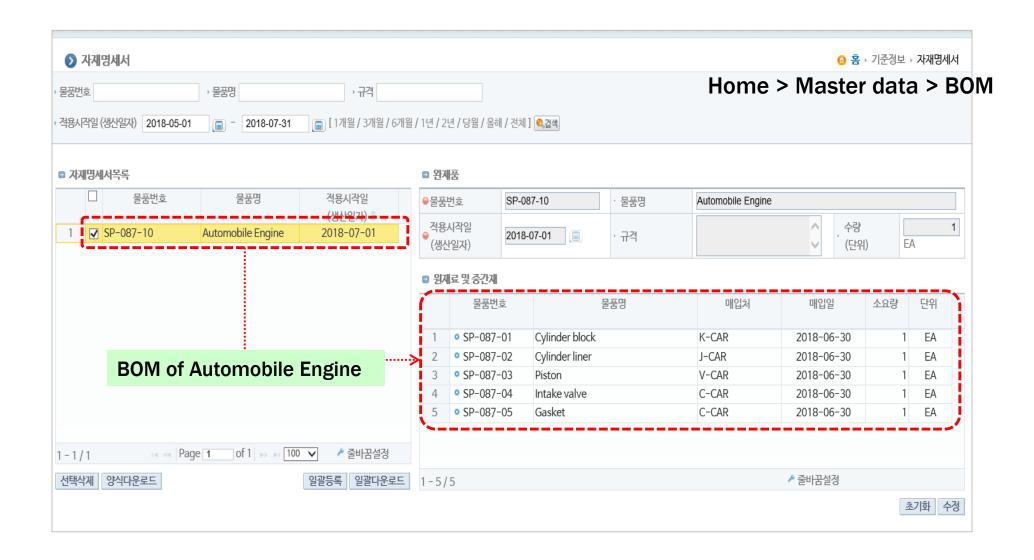
#### **Sample Screen: Data Management**





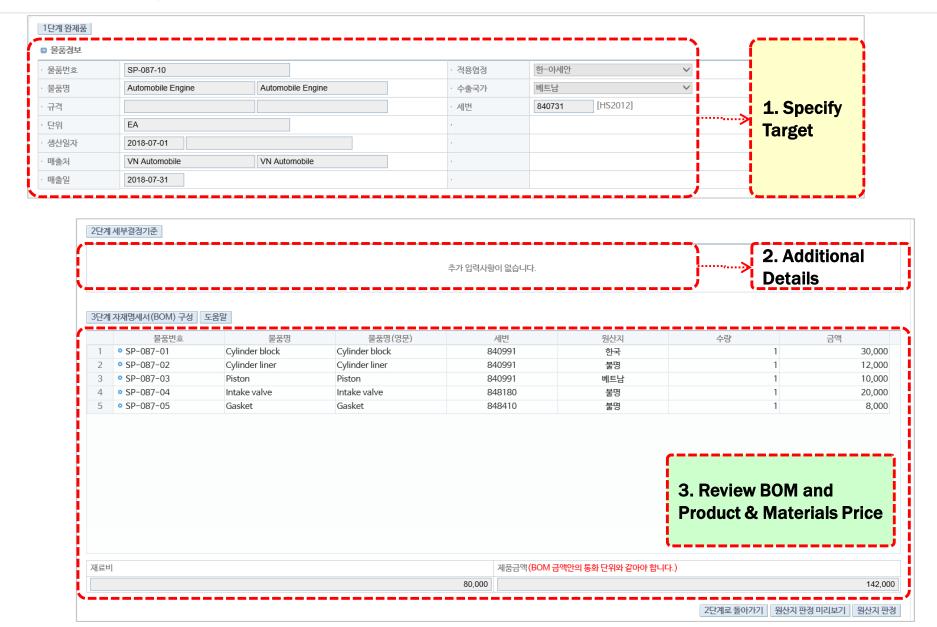
## **Sample Screen: Data Management**



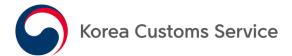


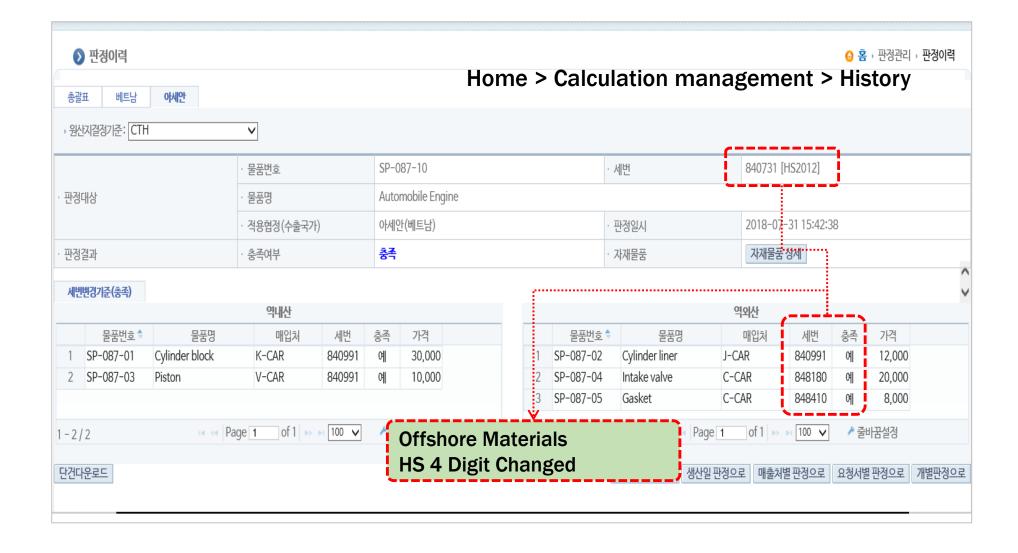
# Korea Customs Service

# **Sample Screen: Origin Calculation**

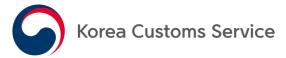


# **Sample Screen: Origin Calculation**



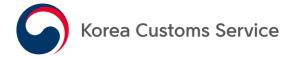


# **Sample Screen: Documentation**



■ SE/	<b>계 정보</b> (※ 수치정보는 자동:	으로 계산처리)																	
⊖총수랑	⊖총수량		100 EA <a>요검색</a>		. §	· 총 신고금액													
⊜총중량	\$		10	KG	◎,검색	. 2	흥포장수						<b>②</b> ,검색						
⊜총FOB미화금액			1000 USD			. 3		총FOB금액(미화이외)				<b>의</b> 검색							
on fo		※ 선택 시 하단 물품정보에	세부내역 표시 / ﴿	신청내역 저	장 시 소명서 자동생성 /	란별 규격일련번호를 란별 규격일련				보정요구 받을 수 있	(습니다.) 엑셀 업로	드 판정이	력 불러오기 핀	한정이력다운					
· 선택	No ·	호/란번호/규격일련번 호	· 제품번호		HS부호	· 품명.물품성	당세(영문)	수량(단 위)	총중량(단 위)	FOB미화금 액	. 원산지: 준	기 원산	소명서	. 자재당					
•	1 8885716110	0121X / 001 / 01	SP-087- 10		840731	Automobile (1000 *100	_	100 (EA)	10 (KG)	1,000	СТН	KR	작성 출력	출력					
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	정보 ※ 증명서 출력물에 표기  번호 (50)	기되는 영역으로 엔터키를 를 SP-087-10	클릭하시면 다음 형	목으로 이동	동합니다. (수량/중량 등 			/란번호/규격	일련번호	888571611012°	IX / 001 / 0	/1	영문으	오로작성(필수					
●품명(영문) (200)			Automobile Engine																
● 품경(8	8군) (200)			규격을 기자	배하기 위해서는 [기준	정보 → 거래처 물품	정보] 관리기	l능을 이용 바 <sup>.</sup>	※ 거래처별(수입자) 품명 및 규격을 기재하기 위해서는 [기준정보 → 거래처 물품정보] 관리기능을 이용 바랍니다. (※사용금지문자: '&' 및 '꺽쇠괄호')										
<b>⊖물품상세(영문) (300)</b>																			
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⊖물품상	·세(영문) (300)		력시 품명 하단에	표시됩니	다.(모델, 규격 등세부	브내역을 기재, 미입력	역시 전송오력	루발생) <b>(※사</b>	용금지문자 : '6	&' 및 '꺽쇠괄호')									
⊖물품상 ⊝수량([				표시됩니! EA	다.(모델, 규격 등 세투		력 시 전송오력 교장수(단위)		용금지문자 : '	&' 및 '꺽쇠괄호')			<b>의</b> .검색						
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●수량(F · 순중량 ●FOB□ ●원산지 원산지	단위) 냥(단위) 미화금액	※ 증명서 출락	1000 1000 : CTH ✓ : - 선택 - ✓	EA	<b>《</b> 검색	· ∃	포장수(단위) 홍중량(단위) GOB금액(미화	타이외)	용금지문자 : '	&' 및 '꺽쇠괄호')		KG	<b>옥</b> 검색						

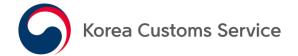
## **Benefits of using FTA-PASS**





- Efficient origin determination under all FTAs
- Easy issuing and exchange of origin documents
- Helps keep origin-related data and documents
- Helps cope with retroactive origin verification
- No need to build additional system

#### **Support for FTA-PASS Users**





#### **Consultation**

- Customized on-site & online support
- Comprehensive consultation on FTA utilization
- Classification support



#### **FTA-PASS Training**

- Hands-on training
- E-learning courses
- Repository of info on FTA and ROO



#### **System support**

- Application for CO & authorized exporter
- Transmission module to link to ERP systems

# Case Study: Successful Export Utilizing FTA





#### **Company A**

#### Manufacturer of car body parts

	KR-US	KR-VN	KR-CN
PSR	CTSH or BU 35%, BD 55%	CTH or RVC 40%	RVC 50%

#### **Barriers in utilizing FTA**

- Uses over 50 raw materials for manufacturing
- Needs origin documents from local sellers, mostly SMEs

#### **On-site consultation and FTA-PASS training**

- Company A and A's local sellers began to exchange origin documents through
   FTA-PASS
- Company A could finally have FTA COs issued
  - ✓ Increased sales contracts with the overseas buyer





# **Way Forward**

- Support traders and manufacturers in utilizing FTA
- Support WCO Members in digitalizing origin procedure
  - Distribution of FTA-PASS
     For video clip, follow the link or QR code: <u>FTA-PA</u>
  - Contribution to WCO TCRO's Interconnectivity of Certificate of Origin

# **Thank you for your Attention!**

Chulhun LEE (Hunny)
Director,
External Relations Division
E-mail: hunnylee@korea.kr

