

## **Electronic Certificate of Origin (eCO) – Best Practices** Document 550-9/36

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### **Definition**

Electronic Certificates of Origin refers to CO applied online: electronically via internet.

### **eCO Services**

Currently, chambers of commerce are offering two types of eCO services:

1. Relates to e-application of CO: it is electronically applied for but manually issued.
2. Relates to full integrated and all paperless eCO service which include electronic issue of CO with electronic signature, rubber stamps and security features in place.

The approved CO may be printed at the premises of CO applicants.

### **The benefits of eCO acceptance**

Chambers of Commerce issue millions of CO per year. To keep pace with the rapid shift to e-Business and improve efficiency in serving the business community, providing eCO is a top priority for Chambers.

With increasing concerns on fraud and the need to improve the security of the supply chain security, many Chambers already provide online CO services to provide a secure trading environment, but also to save time, costs and increase transparency.

In addition to speeding up application and issue processes, eCO also helps Chambers to reinforce the integrity of COs. This is possible because eCO systems are able to include security features such as online eCO authenticity verification, optical watermarking technology to distinguish between original and copies of COs issued, digital rubber stamps of the Chamber and signatures of authorized officials, microprint to deter unauthorized re-production of the CO, 2-D barcode to ensure data integrity, PKI technology to ensure data security and authenticity and printer control language is used to control the printing of only one original CO. eCOs have been welcomed by the business community as they speed up customs clearance and expedite clearance of letters of credit by banks.

## Why eCO is the way forward

1. eCOs are more secure than paper-based COs as recipients of eCO as foreign authorities can check the authenticity of a document online.
2. eCO saves time for customers of local Chambers.
3. It saves time by eliminating travel and queueing for the submission and collection of a CO.
4. eCO enables Chambers to provide efficient and speedy certification services within minutes in a secure documentation environment.
5. eCO improves the working environment by significantly reducing the burden for extensive filing and storage facilities for CO documentation.
6. eCO increases consistency of applications resulting in fewer rejections.
7. eCO not only facilitates and provides secure trade, it may also:
  - save **costs**
  - **increase transparency**
  - increase **efficiency** and improves **productivity**
  - **reduce paperwork** through online data exchange and integration
  - **minimise data inaccuracy** through data sharing
  - help to combat fraud and forged documentation
  - **provide 24/7 convenience** and the convenience of online application tracking and e-notification status on applications.
8. eCO also provides the convenience of having a **direct link to banks for LC clearance and Customs for speedy Customs clearance.**

**For all these reasons, eCO is beneficial to both government agencies and business and we urge that that they should be accepted by Customs Administrations for Customs clearance.**