Certificates of Origin - Virtual Meeting 10 June 2021

Dear Clients and issuers of Certificates of Origin,

Members, non-member, and clients of SACCI and issuers of Certificates of Origin are encouraged to participate in a virtual meeting called to sensitise the business community of what is required and the steps SACCI intends to take to phase-in an agreement signed between SACCI and the DTI concerning Certificates of Origin.

The virtual meeting will take place on *Thursday 10th June 2021 at 10h00*. Registration is free but you are required to please confirm attendance with Tshidi Ndebele tshidin@sacci.org.za by no *later than Monday 7th June 2021*.

Historically, discussions took place at the World Trade Organisation (WTO) on an instrument to be used to facilitate exports.

Various types were discussed, and the World Chamber Federation (WCF), International Chamber of Commerce (ICC) took on the role of drafting documents for further consideration.

It must be clearly understood that ICC does not have the authority to bind sovereign countries, or indeed, the trading blocs or agreements under which the WTO operates.

Bringing this into our own sphere of context, the ICC does not have jurisdiction on the agreements signed by the South African government with other countries. The CoO's are instruments that support the trade agreements signed by the South African government and are therefore sanctioned by the government and purely at its discretion.

Circa 2010 the Department of Trade and Industry called a meeting with BUSA and its chamber affiliates, South African Chamber of Commerce and Industry (SACCI), Afrikaans Handels Instituut (AHI), NAFCOC (National African Federated Chamber of Commerce) and FABCOS (Foundation for African Business and Consumer Services).

This meeting had been called to advise the business community that the government was concerned over the number of fraudulent certificates being issued and was proposing that this be withdrawn from the chambers and handed over to the government agency SANAS (South African National Accreditation System).

SACCI made a strong case for the impact this would have on issuing chambers and their revenue streams being severely impacted by such a decision. As SACCI was seen as the only chamber movement under which such a dispensation could be vested, the DTI acceded to the issuance of Certificate of Origin continuing under the SACCI umbrella subject to certain compliance conditions.

A draft agreement was presented and adopted but was operationally too generic for practical implementation.

During 2019 the SACCI CEO, with Board approval, gave instructions that this be tidied up. SACCI operations investigated international best practices and formulated a set of implementation documents to underpin a new draft agreement with government. These were duly submitted to the DTI.

After two formal engagements a *Confidential* Memorandum of Understanding was signed between the DTI and SACCI giving SACCI the authority to administer the issuance of Certificates of Origin (non-preferential) in South Africa. In short, issuers of non-preferential

Certificates of Origin are bound by this agreement and the compliance criteria as set in this document.

We look forward to engaging with you on "ensuring credible and authentic certificates that can be relied upon by the international community".

Kind Regards



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