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The Malawi Revenue Authority (MRA) will officially <u>launch</u> tomorrow (7th September 2022) in Blantyre, a pilot test of the Southern Africa Development Community (SADC) electronic Certificate of Origin (e-CoO). The e-CoO launch will be preceded by a workshop to be held today at the presence of Member/Partner States from SADC, EAC and COMESA, as well as the African Continental Free Trade Area (AfCFTA) Secretariat, the World Customs Organization (WCO) Secretariat and customs officials and Private Sector representatives. The workshop aims at exploring ways to improve the SADC intra-regional trade through the smooth movement of goods across the borders with the overall objective of aiding the region's economic development.

The e-CoO is intended to replace the manual SADC Certificates of Origin which are <u>currently</u> issued by the Malawi Revenue Authority (MRA) at three (3) Customs Stations, namely Blantyre Port, Lilongwe Port and Mzuzu Port at fee of MK 50.00 per copy.

The 41st SADC Summit held in Malawi from 17-18 August 2021 indicated as date of launch of the e-CoO transmission

September 2021

However, the operationalization of this tool, which has already been successfully implemented in the COMESA region

, has encountered significant delays. At the beginning of June, the SADC Secretariat announced

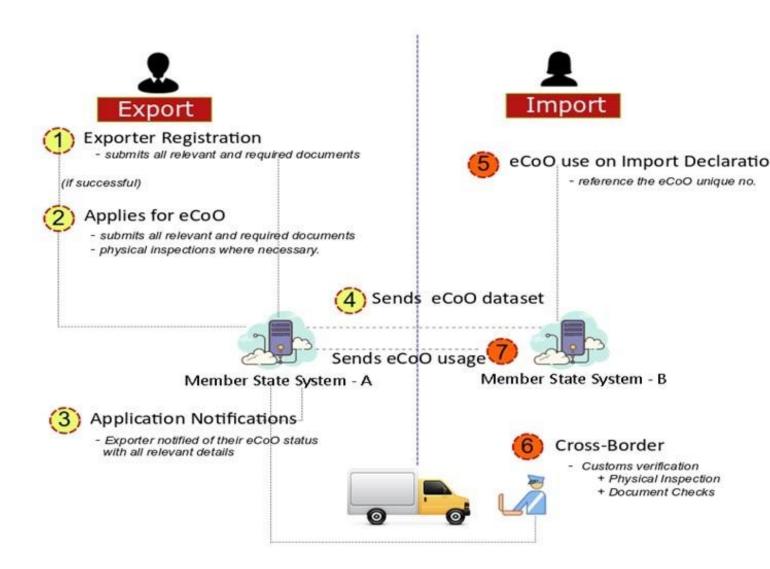
that preparatory works for operationalisation of the e-CoO were underway and that its official launch was imminent.

SADC rules of origin are contained in the Annex I of the SADC Protocol on Trade, which requires traders to go physically to the offices of the authority responsible for the issuance of the certificate of origin, and submit a specific application that will allow them to receive a paper-based certificate of origin after that the issuing authority has completed the controls aimed at verifying that goods declared by the exporter qualify as originating goods for the purpose of being accorded preferential treatment under the SADC Free Trade Area. Once the certificate is obtained, this is normally transmitted by the exporter to the importer, that in turn has to show the certificate to the customs authority in the country of import as a condition for obtaining the duty exemption (for more details, read our post

As shown in the diagram below, the e-CoO streamlines such a process as allows the exporter

can apply on-line, trace the processing status of his application and obtain an electronic certificate from the MRA through the same platform without any need to physically go to Customs offices. Customs authorities of the country of destination of goods will no need anymore to wait to receive the original paper-based certificate from the importer, as this transmission is replaced by the direct access by the Customs Administration in the importing country - in a secure electronic environment - to the Certificate of Origin issued by the exporting authority, which also reduces possibilities of frauds. In this regard, it must be noted that Art. 10.2 of the World Trade Organisation (WTO) Trade Facilitation Agreement encourages its Parties to accept electronic copies of supporting documents required for import, export, or transit formalities, where applicable, from the agency holding the original. This also covers preferential certificates of origin.

Figure 1: e-CoO process flow diagram



To guide the use of the e-CoO, a SADC eCoO Framework was approved by the Committee of Ministers of Trade in 2019. Apart from Malawi, other Customs and Revenue Authorities in the SADC region have developed eCoO modules. Mauritius is an example, as the country has already developed long time ago a module integrated in its customs management system, and is currently waiting its interconnection with other Member States in order to exchange electronic certificates of origin.