

## Fact sheet

### Certificate of Origin Issued by a Country Other than the Exporting Country

The Trade and Political officer of the Swiss Embassy in Kuwait verified with the Director of Commercial Relations Department at Kuwait Chamber of Commerce and Industry (KCCI) on 16.07.2016, and sent a fax to the Kuwait General Administration of Customs (KGAC) to inquire about the Certificate of Origin issued by a country other than the exporting country (Switzerland) and exports to Kuwait via a third country. Due to the lengthy answering process of the legal department at KGAC, the Swiss Embassy asked for the assistance of MENA Government and Public Sector Tax Leader – Ernst & Young Kuwait, Mr. Alok Chug, who confirmed the below. The Embassy received on 31 August, 2016, the reply of KGAC along with Kuwait Customs Instructions no 57/2016, in reply to its fax addressed to KCCI.


Example: The head company is based in Switzerland, operates a branch in Italy, where the goods are produced and exported directly to Kuwait. The invoice and the certificate of origin (mentioning that the product was produced in Italy) will be issued in Switzerland.

**Kuwait General Administration of Customs will not accept a certificate of origin from Switzerland in this case.** This regulation was implemented three years ago and is applicable to all incoming shipments; the certificate of origin must originate from the country where the shipment is shipped from.

**The approach which will be acceptable to Kuwait General Administration of Customs in this case is the following:** In order to facilitate the export process via a **third country** into Kuwait, foreign companies need to generally follow the following steps:


1. The Swiss company needs to provide ***with every shipment a proof letter***, that the main office in Switzerland is maintaining a branch in a third country, which is necessary for the acceptance of the commercial invoices issued in Switzerland by the **Kuwait General Administration of Customs**.
2. This letter needs to be translated into Arabic in Kuwait by a certified and accredited translator.

⇒Details of the procedure according to the following pages.

ABB: Main office Switzerland		ABB: Branch is manufacturing cables in Italy and ships them directly to Kuwait	
Swiss Companies		ITALY	
		 ABB Branch in Italy needs to present the Italian certificate of origin and <u>not a Swiss certificate of origin</u> issued in Switzerland	
		Kuwait	

⇒ If the product is declared “Made in Italy”, an Italian certificate of origin is required.

⇒ Kuwait General Administration of Customs will accept to clear the shipment in this case.

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<del>Swiss Companies</del>		<del>Italy</del>	
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		<del>Kuwait</del>	

⇒ Kuwait General Administration of Customs will refuse to clear this shipment according to the Kuwaiti customs law.

According to our reference, Kuwaiti General Administration of Customs it is required to apply the following procedure in this case:

1. The Head Quarter of the Swiss company in Switzerland must address a proof letter on a proper letterhead to the Director of the General Administration of Customs for the acceptance of the necessary commercial invoices. This proof letter must contain:
  - o the name of the Swiss company
  - o including logo, address in Switzerland, phone number, fax number, email (*may be already displayed in the letterhead*);
  - o the branch name abroad or their subcontractors (*what kind of contractor do they have*);
  - o the product being manufactured abroad.
2. This proof letter must be
  - o issued, stamped and signed by the Head Quarter in Switzerland (*not by the branch or subcontractor in a third country*);
  - o accompanied by a commercial invoices issued in Switzerland.
3. This proof letter and the commercial invoices – both issued in Switzerland – must be
  - o legalized by the Chamber of Commerce in Switzerland
  - o and afterwards by the Embassy of the State of Kuwait in Berne or by the Consulate General in Geneva.
4. This proof letter and the commercial invoices must be handed over to the local importer (or handling agent / logistic officer), who must be registered at the Kuwaiti Customs, Clearance Department, in order to be able to process the customs clearance of the goods.
5. The local importer will be in charge of the translation of the proof-letter into Arabic through an official translator in Kuwait, who is accredited by the Kuwaiti authorities.
6. The customs clearance can now be done.

**Note:**

This procedure may take up to 2 months, and the Swiss companies in that case will not benefit of a preferential customs clearance under the EFTA-GCC free trade agreement.

