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Technical BOM (Bill of materials) can be used in C/O application dossiers



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30 years
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At a glance..

When applying for a Certificate of Origin for exported goods, if companies have not determined the actual Bill of Materials and loss ratio, they can use technical BOM and loss ratio.



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According to Circular 05/2018/TT-BCT issued by the Ministry of Industry and Trade regulating goods' origin, companies applying for a C/O must declare and commit that the exported goods satisfy the rules of origin, and also declare "BOM for finished goods including loss ratio". However, the Circular does not indicate whether the declared BOM and loss ratio should be actual or technical. Normally, technical BOM is the predetermined quantity of materials/consumables required for manufacturing a single unit of a product.

On 25 August 2023, the Import-Export Department of the Ministry of Industry and Trade issued Official letter 708/XNK-XXHH providing guidance on the declaration of BOM and loss ratio in the origin explanation table.

According to Official letter 708, at the time of applying for a C/O for exported goods, if the actual BOM and loss ratio are not available, companies can use technical BOM and loss ratio. Companies must commit that the data is accurately declared and supported by appropriate documents, and that the exported goods satisfy the applicable rules of origin.

In addition, Official letter 708 emphasizes that when competent authorities perform inspections or verifications of the origin of exported goods after the C/O is issued, companies need to prove that the actual BOM and loss ratio do not alter the origin of the exported goods for which the C/O was issued.

Contact us

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