

SUB: Advisory on issue of Transaction Certificate for Restricted Products exported with RCAC

APEDA/ORG/ADV/205/2014-15/33

Dated: 8th May, 2014

Dear Certification Bodies,

As you are aware, the exporters have to register contract with APEDA (RCAC) prior to shipment for export of restricted products under category of organic pulses, organic non basmati rice, organic sugar, organic wheat and organic edible oil.

As per the DGFT notification dated November, 2001 and 21st July 2004 any organic products for export is required to be certified as per NPOP and for every consignment for export a transaction certificate is required to be issued. The exporter is also required to provide details of actual shipments made against RCACs issued in the past and submit original RCACs with copies of shipping documents after completion of dispatches against each RCAC.

The same was communicated to all the Certification bodies and copy of the email hosted on APEDA's website.

The procedures for issuance of RCAC(registration cum allocation certificate) has been defined in APEDA's trade notice available on APEDA website. Therefore, it is mandatory for the exporters to furnish with their application, a copy of their Scope certificate and transaction certificate for export obtained from one of the certification bodies accredited under NPOP. Since the TC cannot be issued without the shipping details and RCAC is issued before the shipment, APEDA had allowed issue of a 'provisional transaction certificate (TC) manually for the grant of RCAC by APEDA. **The Provisional Transaction Certificate is only for the purposes of the issue of RCAC and is not valid for shipment purposes.**

Based on the tracenet data, APEDA has noted some exporters are not taking the TCs after issuance of provisional TCs to all the countries except EU. This anomaly in the export without TC is a non compliance of the DGFT notification.

Further, it has been observed that export TCs has been issued for Organic Sugar by some Certification Bodies without registering contract with APEDA (RCAC).

To avoid such non conformities, an email from APEDA was sent to the major defaulters of 2012-13 and to all the certification bodies on 13.05.2013 informing them the requirement as per DGFT notification and NPOP. But to our surprise, the same non compliance has been observed in the year 2013-14.

Not issuing a transaction certificate to the exporter for every consignment is against the DGFT notification. Such disparities in the operations of the certification bodies will be considered as a non compliance.

It has also been observed that in cases of restricted products like organic pulses, non basmati rice, wheat, sugar and oil, after providing the provisional transaction certificates to the exporter for issuance of RCAC, the certification bodies is required to verify the export of the products against the RCAC .In case of disparity the CB is required to inform APEDA However, it has been noted that several exporters have not taken original export TC for the exported consignments after taking the provisional TC. The certification bodies are not the above said requirement. This is a serious concern.

In view of the above said disparity of not taking the tracenet TCs by the Operators, the Certification bodies are requested to send quarterly details of number of provisional TCs issued for RCAC and the number of export TC issued against them.

The CBs are also advised to verify the sourcing TCs before issuance of provisional TC and deduct the stock in your records till final export TC is issued from tracenet. As per the RCAC norms, if shipment does not take place, the exporter has to surrender the Original RCAC to APEDA with a copy to organic division. Hence any request for cancellation of provisional TC should not be granted by the CB without confirmation from APEDA that the RCAC has been surrendered.

If export TCs are not taken against the RCAC issued by APEDA for export of restricted products, further RCAC will not be issued to the exporter. In addition if TC are not taken for export to any country by the CB it will be considered as a major non compliance .Therefore your operators may be accordingly.

Regards

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