

# The Role of the Certificate of Origin (COO) in Shisha Charcoal Shipping

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## **The “Passport” Your Charcoal Can’t Travel Without**

Let’s be real for a second. [Shipping logistics for shisha charcoal](#) is mostly just pushing paper, but some papers matter way more than others.

The **Certificate of Origin (COO)** is basically the “economic nationality” of your cargo. It serves as the primary legal declaration verifying that a **shipping** consignment of **shisha charcoal** was produced entirely in Indonesia.

Why should you care? Because without this document, customs officers will look at your container and charge you full price. It determines the applicable **import tax** rates at the destination port. If you don’t have it, importers cannot access preferential tariff benefits provided by international trade agreements.

## **It’s Not Just About Taxes (But It Mostly Is)**

There’s a safety angle here that people often forget. Customs authorities strictly regulate **coconut shell charcoal briquettes**. Why? Because in some contexts, they are dangerous goods (DG), and in others, just combustion materials.

The COO is a mandatory compliance document that prevents the transshipment of sanctioned goods through Indonesia. It certifies that the raw material—coconut shells—was sourced and processed into briquettes within the Indonesian archipelago. Essentially, it satisfies the “wholly obtained” or “substantial transformation” criteria required by international customs unions.

## **But here is where the money is:**

The primary financial utility of the COO lies in its ability to reduce or eliminate **import tax**. Indonesia is a signatory to various Free Trade Agreements (FTAs).

- If you present a specific Preferential Certificate of Origin associated with an FTA, the **shisha charcoal** shipment becomes eligible for reduced duties.
- Failure to present the correct specific form results in the application of the standard Most Favored Nation (MFN) tariff rate.
- And trust me, the MFN rate is significantly higher.

## The Menu of Forms: Choose Wisely

This part is annoying. You can't just grab a generic form. To claim duty exemptions, the **COO** must correspond to the specific trade agreement between Indonesia and the destination country. Selecting the incorrect form will invalidate the tax benefit.

Here is the breakdown of what you might need:

- **Non-Preferential COO (Form B):** This certifies the origin but offers no tariff reduction. It's used for countries without specific trade agreements or when anti-dumping duties require origin proof only.
- **Form D (ASEAN):** Used for **shipping** within Southeast Asian countries like Malaysia or Thailand. It reduces **import tax** to 0-5% under the ASEAN Trade in Goods Agreement (ATIGA).
- **Form E (China):** This is critical for high-volume **coconut charcoal** buyers in China to bypass standard duties under the ASEAN-China Free Trade Area.
- **Form AK (South Korea):** Applicable under the ASEAN-Korea Free Trade Area.
- **Form IJEP (Japan):** Specific to the Indonesia-Japan Economic Partnership Agreement.
- **Form A (GSP):** Historically used for the Generalized System of Preferences (USA, Canada, Europe). *Warning:* Buyers must verify current GSP eligibility status as these agreements are subject to periodic review and expiration.
- **EUR.1 (Europe):** Used for specific European destinations depending on current bilateral agreements.

## The Technical Nightmare (Don't Mess This Up)

The issuance process involves strict synchronization between the **shisha charcoal** manufacturer and the Indonesian Ministry of Trade (Kemendag). If these two don't talk... cargo hold-ups happen.

**Crucial Note:** The **COO** must utilize the correct Harmonized System (HS) Code for **coconut shell charcoal briquettes**—typically 4402.90 or 4402.20 depending on composition.

The description on the COO must mirror the Commercial Invoice and Bill of Lading exactly. A mismatch between the HS Code on the export declaration and the import declaration will trigger a customs audit and potential rejection of the tax benefit.

**One last thing on timing:** If the **shipping** schedule is tight—and let's be honest, it always is—a COO can be issued "Retroactively," generally within 3 days of the B/L date. But the document must be physically received by the importer before the cargo arrives to avoid storage fees at the port.