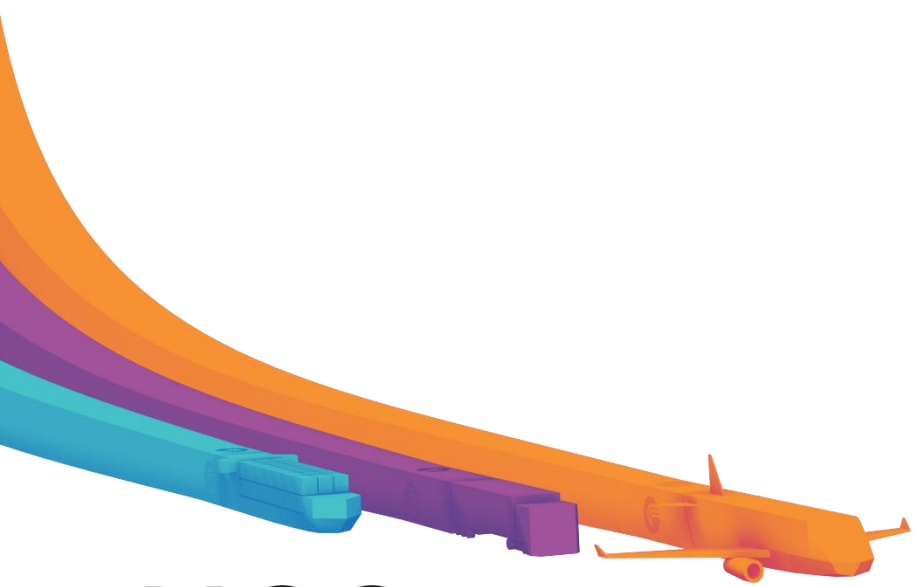
European Commission

EN

PREFERENTIAL TRADE
GUIDANCE ON THE RULES OF ORIGIN



UCC
SIMPLICITY SERVICE SPEED
A MODERN FRAMEWORK
FOR CUSTOMS AND TRADE

Taxation and
Customs Union

Preferential Trade

Guidance on the Rules of Origin

Contents

General disclaimer

These guidance documents are of an explanatory and illustrative nature. Customs legislation takes precedence over the content of these documents and should always be consulted. The authentic texts of the EU legal acts are those published in the Official Journal of the European Union. There may also be national instructions.

Drafting procedure

These guidance documents have been drafted by the Customs Project Group "Guidance on preferential origin" under Customs 2020 (CPG 129) and under the Customs Programme (CPG 024). They have been endorsed by the Customs Expert Group – Origin Section (CEG-ORI).

Acronyms/Abbreviations:

ACP: Africa, the Caribbean and the Pacific

CARIFORUM: The Caribbean Forum of the African, Caribbean and Pacific Group of States

EU-Canada CETA: EU-Canada Comprehensive Economic and Trade Agreement

EU-Chile ITA: EU-Chile Interim Trade Agreement

CTH: Change of Tariff Heading

CTSH: Change of Tariff Sub-heading

EFTA: European Free Trade Association

EPA: Economic Partnership Agreement

EU: European Union

EU GSP: Generalised Scheme of Preferences of the European Union

EU-UK TCA: EU-UK Trade and Cooperation Agreement

EXW: Ex-works price

FOB: Free on Board

FTA: Free Trade Agreement

HS: Harmonized Commodity and Coding System of tariff nomenclature[1]

MAR: Market Access Regulation No 2016/1076

MFN: Most Favoured Nation

OCTs: Overseas Countries and Territories

OJ: Official Journal

PEM Convention: The Regional Convention on pan-Euro-Mediterranean preferential rules of origin, OJ L 54, 26.2.2013

PEM Transitional rules: Alternative set of rules of origin, based on the Revised PEM Convention, applicable on a bilateral basis between PEM CPs

Revised PEM Convention: Decision No 1/2023 of the Joint Committee of the Regional Convention on pan-Euro-Mediterranean Preferential Rules of Origin of 7 December 2023 on the amendment of the Regional Convention on pan-Euro-Mediterranean preferential rules of origin

[1] Convention on the Harmonized Commodity Description and Coding System.

PSR: Product Specific Rule of Origin

REX system: Registered Exporter system

SADC: Southern African Development Community

UCC: Union Customs Code (Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code, OJ L 269, 10.10.2013, p. 1–101, as amended)

UCC-DA: UCC Delegated Act (Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, OJ L 343, 29.12.2015, p. 1–557, as amended)

UCC-IA: UCC Implementing Act (Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code, OJ L 343, 29.12.2015, p. 558–893, as amended)

A. Existing tools

A.1. Websites

This document contains an overview of links to online information and tools on customs and preferential rules of origin provided by Member States of the EU, candidate countries and the European Commission.

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1) Member States and candidate countries

All Member States of the EU and candidate countries have their own dedicated webpages for customs. Access to their webpages can be found via the following link:

https://ec.europa.eu/taxation_customs/national-customs-websites_en

2) European Commission guidance

General guidance on preferential origin and trade agreements can be found on the website of the European Commission. For certain specific topics or agreements, the European Commission has also provided separate guidance. The more relevant guidance is provided below.

a) DG TAXUD

General information

https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin_en

E-learning

https://customs-taxation.learning.europa.eu/course/view.php?id=221

REX guidance document:

https://taxation-customs.ec.europa.eu/system/files/2022-05/Registered%20Exporter%20System%20%28REX%29%20-%20Guidance%20document.doc.pdf

Approved Exporter

guidance-on-approved-exporters.pdf (europa.eu)

Supplier’s declaration

https://taxation-customs.ec.europa.eu/system/files/2020-01/suppliers-declaration-may-2018_en.pdf

Binding Origin Information (BOI)

https://taxation-customs.ec.europa.eu/system/files/2023-02/20230201_GuidanceBOI-REV1.pdf

Specific preferential arrangements

- EU-Canada CETA

  https://taxation-customs.ec.europa.eu/system/files/2020-10/ceta_guidance_en.pdf

- EU GSP

  https://ec.europa.eu/taxation_customs/system/files/2016-09/guide-contents_annex_1_en.pdf

- EU-SADC EPA

  https://taxation-customs.ec.europa.eu/system/files/2022-05/3883130_Guide-SADC-EU%20EPA_20220511.pdf

- PEM Convention

  https://ec.europa.eu/taxation_customs/system/files/2016-09/handbook_en_0.pdf

- PEM Transitional rules guidance
  These is a set of rules of origin based on the revised rules of origin of the PEM Convention that are applicable on a bilateral basis in parallel with the rules of the PEM Convention. These rules are transitional pending the adoption and entry into force of the revised PEM Convention.

  https://taxation-customs.ec.europa.eu/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

- Transitional provisions concerning the transition towards the Revised PEM Convention

  https://taxation-customs.ec.europa.eu/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

- EU-UK TCA guidance

  https://ec.europa.eu/taxation_customs/customs-4/international-affairs/third-countries/united-kingdom_en

- EU-Vietnam FTA guidance

  https://taxation-customs.ec.europa.eu/system/files/2022-11/EVFTA-guidance_0.pdf

- EU-Japan EPA guidance

  https://taxation-customs.ec.europa.eu/customs-4/international-affairs/third-countries/japan_en

b) DG TRADE

Trade Agreements

http://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/

Rules of Origin

https://trade.ec.europa.eu/access-to-markets/en/content/rules-origin

Access2Markets

http://madb.europa.eu/madb/indexPubli.htm

ROSA – RULES OF ORIGIN SELF-ASSESSMENT

https://trade.ec.europa.eu/access-to-markets/en/content/presenting-rosa

My Trade Assistant (including ROSA)

https://trade.ec.europa.eu/access-to-markets/en/home

A.2. International organizations' online information and tools on origin

This document contains an overview of links to online information and tools on origin, provided by international organizations. The international organizations included are the WCO, WTO, OAS, UNCTAD, ITC and EFTA.

1) WCO

- 'Origin' is one of the main topics on the website of the World Customs Organization (WCO):

  http://www.wcoomd.org/en/topics/origin.aspx

- There is a Rules of Origin Handbook:

  www.wcoomd.org/-/media/wco/public/global/pdf/topics/origin/overview/origin-handbook/rules-of-origin-handbook.pdf?db=web

- The WCO Origin Compendium is available here:

  http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/origin/instruments-and-tools/guidelines/origin_compendium.pdf?db=web

- Instruments and tools can be found here:

  http://www.wcoomd.org/en/topics/origin/instrument-and-tools.aspx

- Comparative Study on Preferential Rules of Origin:

  www.wcoomd.org/-/media/wco/public/global/pdf/topics/origin/instruments-and-tools/reference-material/170130-b_comparative-study-on-pref_roo_master-file_final-20_06_2017.pdf?db=web

  The study is aiming at helping to enhance the overall understanding of the origin legislation. The study is comparing the EU, NAFTA, ASEAN and TPP preferential rules of origin[2]. The study will be developed with more agreements and more modules as appropriate.

- Tools related to origin certification:

  http://www.wcoomd.org/en/topics/origin/instrument-and-tools/origin-certification-tools.aspx

[2] NAFTA (North American Free Trade Agreement), ASEAN (Association of South East Asian Nations), TPP (Trans-Pacific Partnership).

The WCO Guidelines on Certification of Origin are based on the studies on origin certification and offer practical explanations. The Guidelines aim to provide useful guidance for the Members to design, develop and achieve robust management of origin-related procedures.

- Guidelines on certification of origin:

  http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/key-issues/revenue-package/guidelines-on-certification.pdf?db=web

- Origin irregularities:

  http://www.wcoomd.org/en/topics/origin/instrument-and-tools/origin-irregularities.aspx

- Practical guide to the Nairobi Ministerial Decision on Rules of Origin for LDCs:

  http://www.wcoomd.org/-/media/wco/public/global/pdf/topics/key-issues/revenue-package/practical-guide-to-the-nairobi-ministerial-decision-on-rules-of-origin-for-ldcs_en.pdf?la=en

2) WTO

- On the website of the World Trade Organization (WTO) 'Rules of Origin' is listed as one of the trade topics:

  https://www.wto.org/english/tratop_e/roi_e/roi_e.htm.

  Preferential rules of origin are mainly discussed in relation to Least Developed Countries (LDCs).

- There is a database that contains information on the preferential trade arrangements (PTAs) that are being implemented by WTO Members:

  WTO | Preferential Trade Arrangements (http://ptadb.wto.org/?lang=1)

  Participation in Regional Trade Agreements

  https://www.wto.org/english/tratop_e/region_e/rta_participation_map_e.htm

3) OAS

- The Organization of American States (OAS) has a foreign trade information system:

  http://www.sice.oas.org/.

- The website provides a list of trade agreements in force:

  http://www.sice.oas.org/agreements_e.asp.

By clicking on one of the listed agreements, an index of that particular agreement will appear and then it is possible to select the part of the agreement concerning (preferential) origin.

4) UNCTAD

- On the website of the United Nations Conference on Trade and Development (UNCTAD) 'Rules of Origin' are discussed in relation to the Generalized Scheme of Preferences (GSP).
  - About Rules of Origin:

    Generalized System of Preferences | UNCTAD

  - GSP handbooks:

    https://unctad.org/publications-search?f%5B0%5D=product%3A498

- The report 'The Use of the EU's Free Trade Agreements - Exporter and Importer Utilization of Preferential Tariffs', prepared in collaboration between the National Board of Trade Sweden and UNCTAD, analysing the use of tariff preferences in free trade agreements, can be found here:

  https://unctad.org/en/PublicationsLibrary/EU_2017d1_en.pdf.

5) ITC

The International Trade Centre (ITC) is the joint agency of the World Trade Organization and the United Nations. The ITC created a tool named the Rules of Origin Facilitator:

http://findrulesoforigin.org/.

It contains information on e.g. free trade agreements and (preferential) rules of origin.

6) EFTA

On the website of the European Free Trade Association (EFTA) they have Free Trade Agreements that are published for each partner country:

EFTA's Free Trade Agreements Monitor | European Free Trade Association

There are links to the parts of the agreements concerning the preferential rules of origin.

A.3. Explanatory notes

This document contains links to Explanatory Notes in relation to specific EU free trade agreements.

In certain free trade agreements the EU has drawn up with the trading partner country Explanatory Notes to provide guidance on the interpretation and application of the rules of origin. These address practical aspects of the rules of origin.

1) Central America

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22021D0046&rid=7

2) Chile

https://eur-lex.europa.eu/eli/agree_internation/2024/2953/oj

(OJ L 2024/2953, 20.12.2024, p. 576.)

3) Mexico

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2001.128.01.0009.01.ENG&toc=OJ:C:2001:128:TOC

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2004.040.01.0002.01.ENG&toc=OJ:C:2004:040:TOC

4) PEM Convention

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2007.083.01.0001.01.ENG&toc=OJ:C:2007:083:TOC

5) South Korea

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2011.127.01.0001.01.ENG&toc=OJ%3AL%3A2011%3A127%3ATOC#L_2011127EN.01000601

(OJ L 127/1, 14.5. 2011, p. 1414.)

A.4. European Union law cases

This document contains an overview of the most important origin related law cases and provides websites and links to search (customs) law cases.

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1) List of law cases

A list of law cases concerning preferential origin matters can be found in Annex I. Law cases concerning non-preferential origin are included in Annex II. The lists contain dates, case numbers, and keywords (including names of the parties involved).

Only the most important law cases are included in the Annexes. To search for more law cases, the websites and links mentioned below can be used.

2) Websites

General searches

EUR-Lex and Curia can be used to search and find law cases:

- http://eur-lex.europa.eu/collection/eu-law/eu-case-law.html (search in case law > text search: preferential origin)
- http://curia.europa.eu/ (case law > search form > text: “preferential origin”)

Annex I

Preferential origin		
Date of decision	**Case number**	**Keywords**
29.07.2019	C-589/17	**Prenatal S.A. v Tribunal Económico Administrativo Regional de Cataluña (TEARC)** Request for a preliminary ruling from the Tribunal Superior de Justicia de Cataluña Reference for a preliminary ruling – Imports of textile products incorrectly declared as originating in Jamaica – Post-clearance recovery of import duties – Request for remission of duties – Regulation (EEC) No 2913/92 – Common customs code – Article 220(2)(b) and Article 239 – Rejection decision of the European Commission in a special case – Validity
25.07.2018	C-574/17	**European Commission v Combaro SA** By its appeal, the European Commission asks the Court to set aside the judgment of the General Court of the European Union of 19 July 2017, Combaro v Commission (T-752/14, EU:T:2017:529) (‘the judgment under appeal’) by which that court annulled Commission Decision C(2014) 4908 final of 16 July 2014 finding that the remission of import duties is not justified in a particular case (REM 05/2013) (‘the contested decision’). Appeal — Customs union — Regulation (EEC) No 2913/92 — Article 239 — Remission of import duties — Import of linen fabrics from Latvia between 1999 and 2002 — Special situation — Supervision and monitoring obligations — Corruption alleged of the customs authorities — Inauthentic movement certificate — Mutual trust
16.03.2017	C-47/16	**Valsts ieņēmumu dienests v «Veloserviss » SIA** Request for a preliminary ruling under Article 267 TFEU from the Augstākās tiesas Administratīvo lietu departaments (Administrative Chamber of the Supreme Court, Latvia),

Preferential origin		
Date of decision	**Case number**	**Keywords**
		made by decision of 20 January 2016, received at the Court on 27 January 2016, in the proceedings Reference for a preliminary ruling — Customs union — Community Customs Code — Article 220(2)(b) — Post-clearance recovery of import duties — Legitimate expectations — Conditions under which applicable — Error of the customs authorities — Obligation imposed on the importer to act in good faith and to verify the circumstances of the issue of the Form A certificate of origin — Means of proof — Report of the European Anti-Fraud Office (OLAF))
07.04.2016	C-294/14	**ADM Hamburg AG v Hauptzollamt Hamburg-Stadt** Request for a preliminary ruling from the Finanzgericht Hamburg Reference for a preliminary ruling — Customs Union and Common Customs Tariff — Community Customs Code — Tariff Preferences — Regulation (EEC) No 2454/93 — Article 74(1) — Products originating from a beneficiary country — Transport — Consignments composed of a mixture of crude palm kernel oil originating in several countries benefiting from the same preferential treatment
23.10.2014	C-437/13	**Unitrading Ltd v Staatssecretaris van Financiën** Reference for a preliminary ruling: Hoge Raad der Nederlanden - Netherlands. Reference for a preliminary ruling - Community Customs Code - Recovery of import duties - Origin of goods - Means of proof - Charter of Fundamental Rights of the European Union - Article 47 - Rights of the defence - Right to effective judicial protection - Procedural autonomy of the Member States.

Preferential origin		
Date of decision	**Case number**	**Keywords**
06.02.2014	C-613/12	**Helm Düngemittel GmbH v Hauptzollamt Krefeld** Reference for a preliminary ruling: Finanzgericht Düsseldorf - Germany. Request for a preliminary ruling - Customs union and Common Customs Tariff - Euro-Mediterranean Agreement with Egypt - Article 20 of Protocol 4 - Proof of origin - Movement certificate EUR.1 - Replacement movement certificate EUR.1 issued at a time when the goods were no longer under the control of the issuing customs authority - Refusal to apply preferential treatment.
24.10.2013	C-175/12	**Sandler AG v Hauptzollamt Regensburg** Request for a preliminary ruling from the Finanzgericht München Customs union and Common Customs Tariff — Preferential arrangement for the import of products originating in the African, Caribbean and Pacific (ACP) States — Articles 16 and 32 of Protocol 1 to Annex V of the Cotonou Agreement — Import of synthetic fibres from Nigeria into the European Union — Irregularities in the movement certificate EUR.1 established by the competent authorities of the State of export — Stamp not matching the specimen notified to the Commission — Post-clearance and replacement certificates — Community Customs Code — Articles 220 and 236 — Possibility of retrospective application of a preferential customs duty no longer in effect on the date when the request for repayment is made — Conditions

Preferential origin		
Date of decision	**Case number**	**Keywords**
08.11.2012	C-438/11	**Lagura Vermögensverwaltung GmbH v Hauptzollamt Hamburg-Hafen** Reference for a preliminary ruling: Finanzgericht Hamburg - Germany. Community customs code - Article 220(2)(b) - Post-clearance recovery of import duties - Legitimate expectations - Impossibility of verifying the accuracy of a certificate of origin - Notion of 'certificate based on an incorrect account of the facts provided by the exporter' - Burden of proof - Scheme of generalised tariff preferences.
15.12.2011	C-409/10	**Hauptzollamt Hamburg Hafen v Afasia Knits Deutschland GmbH** Reference for a preliminary ruling: Bundesfinanzhof - Germany. Common commercial policy - Preferential regime for the importation of products originating in the African, Caribbean and Pacific (ACP) States - Irregularities detected during an investigation carried out by the European Anti-Fraud Office (OLAF) in the exporting ACP State - Post-clearance recovery of the import duties.
01.07.2010	C-442/08	**European Commission v Federal Republic of Germany** Failure of a State to fulfil its obligations - EEC-Hungary Association Agreement - Subsequent verification - Failure to comply with rules on origin - Decision of the authorities of the exporting State - Appeal - Commission inspection mission - Customs duties - Post-clearance recovery - Own resources - Making available - Default interest.

Preferential origin		
Date of decision	**Case number**	**Keywords**
25.02.2010	C-386/08	**Brita GmbH v Hauptzollamt Hamburg-Hafen** Reference for a preliminary ruling: Finanzgericht Hamburg - Germany. EC-Israel Association Agreement - Territorial scope - EC-PLO Association Agreement - Refusal to apply to products originating in the West Bank the preferential tariff arrangements granted for products originating in Israel - Doubts as to the origin of the products - Approved Exporter - Subsequent verification of invoice declarations by the customs authorities of the importing State - Vienna Convention on the Law of Treaties - Principle of the relative effect of treaties.
09.03.2006	C-293/04	**Beemsterboer Coldstore Services BV v Inspecteur der Belastingdienst - Douanedistrict Arnhem** Reference for a preliminary ruling: Gerechtshof te Amsterdam - Netherlands. Post-clearance recovery of import or export duties - Article 220(2)(b) of Regulation (EEC) No 2913/92 - Application ratione temporis - System of administrative cooperation involving the authorities of a non-member country - Meaning of "incorrect certificate' - Burden of proof.
09.02.2006	C-23/04 - C-25/04	**Sfakianakis AEVE v. Elliniko Dimosio** Reference for a preliminary ruling: Dioikitiko Protodikeio Athinon - Greece. Association Agreement EEC-Hungary - Obligation of mutual assistance between customs authorities - Post-clearance recovery of import duties following revocation in the State of export of the movement certificates for the imported products.

Annex II

Non-preferential origin		
Date of decision	**Case number**	**Keywords**
11.02.2010	C-373/08	**Hoesch Metals and Alloys GmbH v Hauptzollamt Aachen** Reference for a preliminary ruling: Finanzgericht Düsseldorf - Germany. Community Customs Code - Article 24 - Non-preferential origin of goods - Origin-conferring processing or working - Silicon blocks originating in China - Separation, crushing and purification of the blocks and the sieving, sorting by size and packaging of the grains in India - Dumping - Validity of Regulation (EC) No 398/2004.
10.12.2009	C-260/08	**Bundesfinanzdirektion West v HEKO Industrieerzeugnisse GmbH** Reference for a preliminary ruling: Bundesfinanzhof - Germany. Community Customs Code - Article 24 - Non-preferential origin of goods - Definition of ‘substantial processing or working’ - Criterion for a change of tariff heading - Steel cables manufactured in North Korea using stranded steel wire originating in China.
13.12.2007	C-372/06	**Asda Stores Ltd v Commissioners of Her Majesty’s Revenue and Customs** Reference for a preliminary ruling: VAT and Duties Tribunal, London - United Kingdom. Community Customs Code - Implementing measures - Regulation (EEC) No 2454/93 - Annex 11 - Non-preferential origin of goods - Television receivers - Concept of substantial processing or working - Added value test - Validity and interpretation - EEC-Turkey Association Agreement and Decision No 1/95 of the Association Council - Interpretation.

Non-preferential origin		
Date of decision	**Case number**	**Keywords**
13.12.1989	C-26/88	**Brother International GmbH v Hauptzollamt Gießen** Reference for a preliminary ruling: Hessisches Finanzgericht - Germany. Origin of goods - Assembly of previously manufactured components.

B. Common topics

B.1. List rules

This section contains an explanation of the list rules. These describe the working or processing that non-originating materials have to undergo for the final product to obtain preferential originating status.

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1) Introduction

The list rules (also known as Product Specific Rules of Origin (PSR) set out the working or processing that non-originating materials have to undergo for the final product to obtain preferential originating status. The list rules are part of each preferential arrangement.

2) General overview

Legal references – examples

- Annex II of Appendix I to the PEM Convention
- Annex 2 to the Origin Protocol of the EU-Korea FTA
- Annex B of Protocol 1 to the EU-Singapore FTA

The two main criteria for obtaining preferential originating status are defined in preferential arrangements.

- Wholly obtained products - where only **one** country or territory is involved in the manufacture of both materials and products.
- Sufficiently worked or processed products obtained in a country incorporating materials which have not been wholly obtained there, provided that the non-originating materials used in the manufacture of these products have undergone sufficient working or processing. The sufficient working or processing required to be carried out on non-originating materials that is needed for the final product to obtain preferential origin is determined by the list rules.

Some preferential arrangements contain a third criterion covering products that have been "produced exclusively from originating materials", e.g. EU-Canada CETA. These products will always be considered as originating products either by being wholly obtained, sufficiently worked or processed, or having used originating materials from a partner country through cumulation.

In preferential arrangements, list rules contain introductory notes which explain how to read them and cover requirements to be fulfilled for allocating preferential origin to the final product.

The list rules are usually presented using a table structured as follows:

EU-Colombia-Peru-Ecuador Trade Agreement

HS heading (1)	Description of product (2)	Working or processing, carried out on non-originating materials, that confers originating status (3)	or (4)
8417	Industrial or laboratory furnaces and ovens, including incinerators, non-electric	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 40% of the ex-works price of the product

The presentation of the list rules may however differ from the above presented model in particular preferential arrangements. For instance, rules and even the alternative rules, may be gathered together in one column and the products may be indicated by the HS chapters, headings or sub-headings only.

EU-Canada CETA

HS classification	Products specific rule for sufficient production pursuant to Article 5
84.01 – 84.12	A change from any other heading; or A change from within any one of these headings, whether or not there is also a change from any other heading, provided that the value of non-originating materials classified in the same heading as the final product does not exceed 50 per cent of the transaction value or ex-works price of the product

In using the list rules it is important to establish which version of the HS is being applied. For example, the EU-Canada CETA uses the HS 2012.

Meaning of the prefix "ex"

In some cases, a chapter, a heading or a sub-heading entry is preceded by "ex". This means that the specified origin rule applies only to that part of the chapter, heading or sub-heading for which the description of the product is provided.

Example

Sub-heading 0511 91 covers "Products of fish or crustaceans, mollusks or other aquatic invertebrates; dead animals of Chapter 3".

In the EU-Singapore FTA, a specific rule applies to "Inedible fish eggs and roes", which are only some of the goods classified within sub-heading 0511 91, and this is indicated by "ex".

The ex Chapter 5 rule thus applies to all the 0511 91 products, except for "Inedible fish eggs and roes" for which the ex 0511 91 product specific rule of origin is applicable.

EU-Singapore FTA

HS Heading	Description of products	Working or processing, carried out on non-originating materials, which confers originating status
ex Chapter 5	Products of animal origin, not elsewhere specified or included, except for:	Manufacture from materials of any heading
ex 0511 91	Inedible fish eggs and roes	All the eggs and roes are wholly obtained

The list rules confer originating status based on the following basic criteria:

- Wholly obtained requirement;
- Change in tariff classification;
- Value or weight limitation;
- Specific working or processing.

List rules sometimes combine these criteria and require manufacturers to satisfy two or more of them at the same time. This is usually the case for the weight limitation.

It may be that some products in the list rules will not benefit from preferential tariff treatment as they are excluded from preferential trade.

a) Wholly obtained requirement

Example A.1: EU-Singapore FTA – Rye flour

The rule for rye flour (HS heading 11.02) requires:

"Manufacture in which all the materials of Chapters 10 and 11, headings 0701 and 2303, and sub-heading 0710 10 used are wholly obtained"

The rye (HS heading 10.02) is wholly obtained in the EU (grown and harvested there) and is used in the manufacture of the rye flour in the EU. Therefore, the final product obtains EU preferential origin.

It does not matter whether the seeds are of EU origin or are imported from a third country.

Example A.2: Revised PEM Convention – Cheese

The rule for cheese (HS heading 04.06) requires:

"Manufacture in which all the materials of Chapter 4 used are wholly obtained"

The milk used in the manufacture in the EU of the cheese has to be wholly obtained in the EU (products i.e. milk, obtained from live animals raised there). Consequently, the cheese can be exported to Switzerland as originating in the EU.

b) Change in tariff classification

i. Change of chapter (CC)

A product is considered to be sufficiently worked or processed when it is classified in an HS chapter (two digits), which is different from those in which all the non-originating materials used in its manufacture are classified.

Example B.1: EU-Canada CETA – Linseed oil

The rule for the vegetable fats and oils and their fractions (HS sub-heading 1516.20) in CETA requires:

"A change from any other chapter"

The linseed (HS heading 12.04) is imported into the EU from Türkiye and is used in the manufacture of linseed oil in the EU. Therefore, the final product obtains EU preferential origin when exported to Canada.

ii. Change of tariff heading (CTH)

A product is considered to be sufficiently worked or processed when it is classified in an HS heading (four digits), which is different from those in which all the non-originating materials used in its manufacture are classified.

Example B.2: Revised PEM Convention – Seats

A rule for the seats (HS heading 94.01) requires:

"Manufacture from [non-originating] materials of any heading except that of the product"

The manufacturer uses the following non-originating materials:

- *sawn wood (HS heading 44.07)*
- *fabrics (HS heading 52.08)*
- *foam/porolone (HS heading 39.03).*

The seats are exported to Norway as EU originating since the CTH rule is fulfilled, namely all non-originating materials used in the production of the final product are classified under tariff headings different from the tariff heading of the seats.

iii. Change of tariff sub-heading (CTSH)

A product is considered to be sufficiently worked or processed when it is classified in an HS sub-heading (six digits), which is different from those in which all the non-originating materials used in its manufacture are classified.

Example B.3: EU-Canada CETA – Roasted coffee

The rule for roasted coffee (HS sub-heading 0901.21) requires:

"A change from any other subheading"

The manufacturer uses the following non-originating materials:

- *coffee, not roasted (HS sub-heading 0901.11)*

Coffee roasted in the EU is exported to Canada as EU originating since the CTSH rule is fulfilled, namely all materials used in the production of the final product are classified under a tariff sub-heading different from the tariff sub-heading of the roasted coffee.

iv. Manufacture from materials of any heading

A product is considered to be sufficiently worked or processed where the working or processing carried out is more than insufficient even if the non-originating materials used in the manufacture are classified under the same heading. Under this rule, the materials may also have the same description as the products.

Example B.4: Revised PEM Convention – Mixtures of spices

The rule for mixtures of spices (curry HS heading 09.10) requires:

"Manufacture from materials of any heading"

The manufacturer uses the following non-originating materials:

- *Black pepper (HS heading 09.04);*
- *Chili pepper (HS heading 09.04);*
- *Cinnamon (HS heading 09.06)*

- *Cloves (HS heading 09.07)*
- *Nutmeg (HS heading 09.08)*
- *Cumin (HS heading 09.09);*
- *Coriander (HS heading 09.09);*
- *Turmeric (HS heading 09.10);*
- *Fenugreek (HS heading 09.10);*
- *Ginger (HS heading 09.10)*

Ingredients are mixed together as a deliberate and proportionally controlled operation that is more than minimal. Some materials are classified in the same heading as the product but the rule is met because it allows the use of non-originating materials from any heading and even those of the same heading. Consequently, curry can be exported to Switzerland as a product originating in the EU.

v. Manufacture from materials of any heading, including other materials of the same heading

A product is considered to be sufficiently worked or processed when the working or processing carried out is more than insufficient even if the non-originating materials used in the manufacture are classified under the same heading, except for those of the same description as the product as given in the column "Description of product" in the list rules.

Example B.5:* EU-Colombia-Peru-Ecuador Trade *Agreement - Dentists' chair incorporating dental appliances or dentists' spittoons

A rule for dentists' chair incorporating dental appliances or dentists' spittoons (HS heading 90.18) requires:

"Manufacture from materials of any heading, including other materials of heading 9018"

A dentists' chair incorporating dental appliances or dentists' spittoons is produced from various non-originating materials, including materials that are classified under HS heading 90.18. The product has undergone processing that is more than insufficient, and the materials have a different description to that of the final product, therefore, the list rule is fulfilled and the dentists' chair incorporating dental appliance or dentists' spittoons is originating.

c) Value limit for non-originating materials

The value limitation principle for non-originating materials (NOM) means that the value of all or specific non-originating materials may not exceed a given percentage of the ex-works price of the final product.

Example C.1: Revised PEM Convention – Plastic jugs

A rule for plastic jugs (HS heading 39.24) requires:

"Manufacture in which the value of all the [non-originating] materials used does not exceed 50% of the ex-works price of the product"

The manufacturer uses the following non-originating materials:

- *Plastic granules (HS heading 39.03) (value EUR 2)*
- *Lid (HS heading 39.24) (value EUR 0.50).*

A plastic jug (ex-works price EUR 6) is exported to Switzerland as EU originating since the value of non-originating materials is less than 50% of the ex-works price.

Example C.2: Revised PEM Convention – Skid chains

The rule for skid chains (HS heading 73.15) requires:

"Manufacture in which the value of all the [non-originating] materials of heading 7315 used does not exceed 50% of the ex-works price of the product"

The manufacturer uses the following non-originating materials:

- *Chain (HS heading 73.15) (value EUR 150)*
- *Wire of stainless steel (HS heading 72.23) (value EUR 60).*

A skid chain (ex-works price EUR 350) for car tyres is manufactured in the EU. It is exported to Norway as EU originating since the value of non-originating materials of HS heading 73.15 is less than 50% of the ex-works price, even though the value of all non-originating materials exceeds the value limitation of 50% for non-originating materials.

Example C.3: Revised PEM Convention – Woman's training jacket

The rule for a woman's embroidered jacket (HS heading 62.02) requires:

"Manufacture from unembroidered fabric, provided that the value of the unembroidered fabric used does not exceed 40 % of the ex-works price of the product"

The manufacturer uses the following materials to produce 1 000 training jackets:

- *Unembroided shell fabric non-originating 1 000 m^2 (value EUR 4 000)*
- *Other textile and metal materials (lining, yarn, zip, buttons, labels) (value EUR 1 000)*

A woman's training jacket is manufactured, including embroidering, in the EU from non-originating unembroidered fabric. During the cutting of the fabric, 10% is disposed of as textile waste (100 m^2). The value of non-originating fabric in the final product is EUR 4 000 and no account is taken of the cutting waste of 10% as all the fabric is used in the manufacturing process. The manufacturer sells the jackets to a retailer for export to Switzerland with an ex-

works price of EUR 9 500. The training jackets are non-originating in the EU because the value of the non-originating unembroided fabric exceeds the value limitation of 40% for non-originating materials.

d) Specific working or processing

Specific operations in a manufacturing process are the minimum operations that have to be performed on the non-originating materials in order to confer preferential origin to the final product.

Example D.1: EU–Japan EPA - Skirts

A rule for skirts (HS heading 62.04) requires:

"Weaving combined with making-up including cutting of fabric"

The manufacturer uses the following non-originating materials:

- *Yarn (HS heading 52.05)*

In the EU the yarn is woven into fabric from which the skirts are made-up. The skirts are exported to Japan as EU originating since they are manufactured by weaving yarn into fabric, cutting fabric and making it up into skirts in the EU.

Example D.2: EU-Colombia-Peru-Ecuador Trade Agreement - Marble in blocks not exceeding 25 cm in thickness

The rule for marble in blocks not exceeding 25cm in thickness (HS heading 25.15) requires:

"Cutting, by sawing or otherwise, of marble (even if already sawn) of a thickness exceeding 25 cm"

A block of non-originating marble of 40 cm in thickness (greater than 25 cm in thickness) is cut into pieces of a thickness of 20 cm (less than 25 cm in thickness) in Colombia and then exported to the EU. As the cutting of marble is done in Colombia, the final product is originating there.

e) Combination of several rules

The specific list rules in the previous sections a) to d) may be combined to make a rule whereby all the listed conditions must be fulfilled.

Example E.1: EU-UK TCA –Dried strawberries

The rule for edible dried strawberries, containing added sugar (HS heading 20.08) requires:

- *CTH, provided that*
- *the total weight of non-originating materials of headings 17.01 and 17.02 does not exceed 40% of the weight of the product*

The manufacturer in the EU uses the following materials:

- *fresh strawberries (HS heading 08.10);*
- *non-originating sugar from Brazil (HS heading 17.01).*

The weight of sugar represents 17 % of the weight of the final product. The strawberries with added sugar are exported to the UK as originating in the EU since the CTH rule is fulfilled for the strawberries and the weight of non-originating sugar is less than 40 % of the weight of the final product.

Example E.2: EU-Ghana EPA – Bulldozers

A rule for bulldozers (HS heading 84.29) requires:

"Manufacture in which:

- *the value of all the [non-originating] materials used does not exceed 40 % of the ex-works price of the product, and*
- *where within the above limit, the value of all the [non-originating] materials of heading 8431 are only used up to a value of 10 % of the ex-works price of the product."*

The EU manufacturer uses the following non-originating materials:

- *Japanese metal sheets (HS heading 72.09) of the value of 29 % of the ex-works price of the final product;*
- *Chinese parts (HS heading 84.31) of the value of 9 % of the ex-works price of the final product.*

The bulldozer manufactured in the EU is exported to Ghana and is originating in the EU as the rule is fulfilled.

3) Particularities

EU-Japan EPA: The rule for the use of non-originating materials as a percentage of the price of the final product is based on two alternative calculations, ex-works price (EXW) or Free on Board (FOB), either of which may be used.

More details on the calculation methods can be found in Note 4 of the Introductory Notes to product specific rules of origin in Annex 3-A of the EU-Japan EPA.[3]

[3] OJ L330/3 of 27.12.2018, p. 635 ff.

B.2. Tolerance

This section explains the use of tolerances. This allows the final product to obtain originating status by using a certain amount of non-originating materials where the list rule would not allow that use.

1) Introduction

The tolerance rule allows for the departure from sufficient working or processing conditions set out in list rules. It provides a certain level of relaxation by allowing the use of a small percentage of non-originating materials – which the list rule would not allow to be used – in the production process of the final product without affecting its originating status.

2) General overview

The following types of tolerances can be found in the provisions of preferential arrangements:

- general tolerance
- specific tolerance for textiles and textile articles

a) General tolerance

The general tolerance rule allows the final product to obtain originating status by using non-originating materials when the list rule would not allow that use based on the tariff classification or a specific manufacturing process.

The use of non-originating materials that cannot be used according to the list rules to obtain originating status is limited up to a specific percentage of:

- the value of the ex-works price of the final product, or
- the weight of the final product.

Where the list rule stipulates that materials used in the production have to be wholly obtained, the tolerance applies to the sum of those materials. However, tolerance is not to be applied to wholly obtained products within the meaning of the provision on 'Wholly obtained products' in the preferential arrangements.

Example: EU-UK TCA (based on HS 16.01)

Sausages falling within heading 16.01, uncooked, are made from pork meat originating in the EU.

The rule for sausages (1601.00-1604.18) is:

Production in which all the materials of Chapters 1, 2, 3 and 16 used are wholly obtained.

Sausages are made from wholly obtained minced meat of Chapter 2. Non-originating sausage lard of heading 02.09 is also added, followed by spices of heading 21.03, salt of heading 25.01 and garlic of heading 07.03. As the general tolerance allows the use of up to 15% by weight of the product for non-originating materials, the product will be of preferential origin when the weight of the lard of heading 02.09 does not exceed this threshold.

Example: EU-Vietnam FTA (based on HS 22.04)

Wine obtained in the EU from fresh grapes of heading 08.06 is exported to Vietnam. In the production process, for each litre of wine weighing 1 kg, 100 g of Serbian grapes and 150 g of Brazilian sugar are used.

The rule for wine (Chapter 22) is:

Manufacture from materials of any heading, except that of the product and headings 2207 and 2208, in which:

- *all the materials of sub-headings 0806 10, 2009 61, 2009 69 used are wholly obtained; and*
- *the individual weight of sugar and of the materials of Chapter 4 used does not exceed 20 % of the weight of the final product.*

Wine obtained in the EU is of preferential origin, as non-originating grapes correspond to a general tolerance of up to 10% by weight of the final product and the added non-originating sugar is below the 20% threshold allowed by the rule of origin.

In some preferential arrangements tolerances are expressed in weight for certain agricultural products (e.g. EU GSP, EU-Canada CETA, OCT Decision).

The percentage of the general tolerance allowed in value or in weight varies from one preferential arrangement to another and could be either 10% or 15%. For details see Annex 1.

Where a list rule allows the use of a certain percentage of non-originating materials in value or in weight, the tolerance cannot be used to exceed that maximum percentage specified in the list rule. The maximum content of non-originating materials will always be the one in the list rule, and may not be exceeded by applying the tolerance.

For instance, if the list rule allows a maximum use of 40 % of non-originating materials of the ex-works price of the product, this is the limit that applies and may **not** be increased by the tolerance rule adding 10% to the 40% set out in the list rule.

Example: EU-Korea FTA (based on HS 20.07)

A doll (HS heading 95.03) is produced in the EU from non-originating plastic pellets (HS chapter 39), baby's garments (HS chapter 62) and plastic eyes (HS heading 95.03).

The rule for the dolls (ex. chapter 95) is:

"Manufacture from [non-originating] materials of any heading except that of the product"

In the production of the doll non-originating materials of the same HS heading 95.03 (doll eyes) are used. Taking into consideration the tolerance rule the final product could obtain EU originating status if the value of the doll's eyes does not exceed 10 % of the ex-works price of the doll.

b) Specific tolerances for textiles and textile articles

Specific tolerance rules apply to textiles and textile articles of HS Chapters 50 to 63 instead of the general tolerance rule. Those rules are generally included in the introductory notes to the list rules.

i. Mixed products

Non-originating basic textile materials which cannot be used in the manufacturing process of the final product to obtain originating status may nevertheless be used to obtain such a status provided that their total weight represents 10% or less of the total weight of the basic textile materials[4] used. This type of tolerance is conditional as it is allowed only for mixed products which have been produced from two or more basic textile materials.

Example – PEM Convention (based on HS 2012)

A cotton fabric, of HS heading 52.09, made from cotton yarn of HS heading 52.05 and silk yarn of HS heading 50.04, is a mixed fabric.

The rule for cotton fabric (HS heading 52.09):

"Manufacture from [non-originating] natural fibres"

Therefore, non-originating cotton yarn or non-originating silk yarn or a mixture of both of them may still be used if the total weight of the non-originating yarn does not exceed 10 per cent of the weight of fabric.

The rules for HS heading 52.09 in the Revised PEM Convention are different and should be checked, as well as the guidance on the Revised PEM Convention:

https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

[4] The list of basic textile materials is generally presented in the introductory notes to the list rules in preferential arrangements.

In two specific cases, for

- products incorporating "yarn made of polyurethane segments with flexible segments of polyether, whether or not gimped", tolerance is 20 % in respect of this yarn.
- products incorporating a "strip consisting of a core of aluminium foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of a transparent or coloured adhesive between two layers of plastic film", tolerance is 30 % in respect of this strip.

ii. Clothing and other made-up textile articles

In cases of certain products of HS Chapters 61 to 63, non-originating textile materials which cannot be used in the manufacturing process of the final product to obtain originating status, may nevertheless be used to obtain such a status provided that their value does not exceed 8% of the ex-works price of the final product and they are classified in a heading other than that of the product.

This type of tolerance does not apply to non-originating linings and interlinings.

Example – PEM Convention (based on HS 2012)

Shirts not embroidered of HS heading 62.06 made from non-originating materials: cotton yarn of HS heading 52.05 and lace of HS heading 58.08.

Rule for shirts (HS heading 62.06):

"Manufacture from [non-originating] yarn."

The final product could obtain the originating status if the value of the lace used does not exceed 8% of the ex-works price of the shirt.

The rules for HS heading 62.06 in the Revised PEM Convention are different and should be checked, as well as the guidance on the Revised PEM Convention:

https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

3) Particularities

The Annex 1 contains a list of the tolerance rules for all preferential arrangements.

Principle of territoriality: Where the final product obtains originating status by applying the general tolerance rule for non-originating materials, that tolerance may not be applied in addition to the derogation from the principle of territoriality, as both may not be applied together.

The derogation from the principle of territoriality does not exist in all preferential arrangements (see the section on the principle of territoriality).

CARIFORUM EPA: The general tolerance rule may be applied to textiles and textile articles of HS Chapters 50 to 63 instead of the specific tolerances.

EU-Mexico EPA: The following differences apply:

- To mixed products, an 8% tolerance in weight is applicable (instead of 10 %),
- To products incorporating "yarn made of polyurethane segments with flexible segments of polyether, whether or not gimped", an 8% tolerance in weight in respect of this yarn is applicable (instead of 20%).

EU-Japan EPA: The following differences apply:

- The general tolerance of 10% and the tolerance for clothing and other made-up textile articles of 8% may also be calculated on the basis of FOB prices.
- A 10% tolerance in weight for other basic textile materials may be used in combination with the specific 20% and 30% tolerances as mentioned above in the section Mixed Products.
- A 40% tolerance in weight is applied in relation to non-originating man-made fibres used in the spinning process with natural fibres to obtain final products of HS headings 51.06 to 51.10 and 52.04 to 52.07.
- The general tolerance of 10% by value may apply even where the list rule limits the use of non-originating materials by weight. This means the limits expressed in the list rule by weight may be exceeded by the application of the general tolerance rule of 10% by value.

EU GSP, OCT Decision: The 8% tolerance in value, applicable to non-originating textile materials, includes linings and interlinings.

Revised PEM Convention: The Revised PEM Convention, in contrast to the PEM Convention, set out a 15% tolerance for all products except those falling within HS Chapters 50 to 63. This is an increase of 5% compared to the PEM Convention.

Depending on the product, a distinction is made as to the method of calculation. To agricultural products falling withing Chapters 2 and 4 to 24, other than processed fishery products of Chapter 16, the 15% tolerance is applied to the net weight of the product, while to other products, excluding textiles, the percentage is applied to the ex-works price of the final product.

Likewise, compared to the PEM Convention, more flexibility is offered as regards the textile products. See "*Guidance - Revised PEM rules of origin*" and the following table for more details:

https://taxation-customs.ec.europa.eu/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

Annex 1 Tolerances – Legal basis

Preferential arrangements	Legal basis	OJ	Tolerances					
			General tolerance		Mixed products		Clothing	
			Legal basis	Comments	Legal basis	Comments	Legal basis	Comments
Algeria	Euro-Mediterranean Association Agreement - Protocol 6	OJ L297 of 15/11/2007, p.3	Art. 6(2)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	8% in value (exclusion for linings and interlinings)
Andean Countries	Trade Agreement - Annex II	OJ L354 of 21/12/2012, p. 2075	Art. 6(3)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Appendix I	10%, 20%, 30% in weight	Notes 5 and 6 Appendix I	8% in value
Andorra (Agricultural products)	Appendix to the Agreement - Decision No 1/2015 of the EU-Andorra Joint Committee	OJ L344 of 30/12/2015, p. 15	Art. 5(2)	10% in value				
Cameroon (imports to Cameroon) **For imports to EU, see Market Access Regulation decision below)**	Decree No 2016/367 of 3 August 2016 of the Republic of Cameroon		Art. 5(4)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Appendix I	10%, 20%, 30% in weight	Notes 5 and 6 Appendix I	10% in weight for textile trimmings and accessories (exclusion for linings and interlinings)
Canada	Comprehensive Economic and Trade Agreement (EU-Canada CETA) - Protocol	OJ L11 of 14/01/2017, p. 465	Art. 6	10% in value (HS Chapters 50-63 excluded)	Notes 3, 4, 5, 6 and 7 Annex I	10%, 20%, 30% in weight	Notes 3, 4, 5, 6 and 7 Annex I	8% in value (exclusion for linings and interlinings)

Preferential arrangements	Legal basis	OJ	Tolerances					
			General tolerance		Mixed products		Clothing	
			Legal basis	Comments	Legal basis	Comments	Legal basis	Comments
CARIFORUM	Economic Partnership Agreement - Protocol I	OJ L289 of 30/10/2008, p. 1805	Art. 7(3)	15% in value (including HS Chapters 50-63)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	10% in weight for textile trimmings and accessories (exclusion for linings and interlinings)
Central America	Association Agreement - Annex II	OJ L346 of 15/12/2012, p. 1803	Art. 5(2)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Appendix I	10%, 20%, 30% in weight	Notes 5 and 6 Appendix I	8% in value (exclusion for linings and interlinings)
Ceuta and Melilla	Council Regulation (EC) No 82/2001 of 5/12/2000	OJ L20 of 20/01/2001, p. 1	Art. 6(2)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex A	10%, 20%, 30% in weight	Notes 5 and 6 Annex A	8% in value (exclusion for linings and interlinings)
Chile	Interim Trade Agreement - Chapter 3, Annexes 3-A and 3-B	OJ L, 2024/2953 of 20.12.2024, p. 518-56712	Art. 3.5	10% in value (HS Chapters 50-63 excluded)	Notes 7, 8 and 9 of Annex 3-A ITA	10%, 20%, 30% in weight	Note8 of Annex 3-A	8% in value (exclusion for linings and interlinings)
Côte d'Ivoire	Stepping stone Economic Partnership Agreement – Decision 2/2019 of the EPA Committee - Protocol 1	OJ L49 of 21/02/2020, p. 1	Art 4(5) and (6)	10% in value for EU products and 15 % in value for Ivorian products (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	10% in weight for textile trimmings and accessories (exclusion for linings and interlinings)
ESA	Interim Agreement establishing a framework for an Economic Partnership Agreement – Amended Protocol 1	OJ L93 of 27/03/2020, p. 1	Art. 7(4)	15% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	10% in weight for textile trimmings and accessories (exclusion for linings and interlinings)

Preferential arrangements	Legal basis	OJ	Tolerances					
			General tolerance		Mixed products		Clothing	
			Legal basis	Comments	Legal basis	Comments	Legal basis	Comments
Generalised Scheme of Preferences (GSP)	Commission Delegated Regulation (EU) 2015/2446 of 28/07/2015 (UCC - DA) - Commission Implementing Regulation (EU) 2015/2447 of 24/11/2015 (UCC-IA)	OJ L343 of 29/12/2015, p. 1 (UCC-DA) p. 558 (UCC-IA)	Art. 48 UCC-DA	a/ 15% in weight (HS Chapters 2 and 4 to 24, other than processed fishery products falling within HS Chapter 16) - b/ 15% in value (other products, except for products falling within HS Chapters 50 to 63)	Notes 6 and 7 Annex 22-03 UCC-DA	10%, 20%, 30% in weight	Notes 6 and 7 Annex 22-03 UCC-DA	8% in value
Ghana	Stepping stone Economic Partnership Agreement - Decision 1/2020 of the EPA Committee	OJ L350 of 21/10/2020, p. 1	Art 4	15% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	10% in weight for textile trimmings and accessories (exclusion for linings and interlinings)
Israel	Euro-Mediterranean Association Agreement - Protocol 4	OJ L20 of 24/01/2006, p. 1	Art. 6(2)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	8% in value (exclusion for linings and interlinings)
Japan	Economic Partnership Agreement - Annex 3A	OJ L330 of 27/12/2018, p. 23	Art. 3.6 Chapter 3	10% in value (HS Chapters 50-63 excluded)	Notes 7 and 8 Annex 3-A	10%, 20%, 30%, 40% in weight	Notes 7 and 8 Annex 3-A	8% in value (exclusion for linings and interlinings)
Korea	Free Trade Agreement - Protocol	OJ L127 of 14/05/2011, p. 1344	Art. 5(2)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	8% in value (exclusion for linings and interlinings)

Preferential arrangements	Legal basis	OJ	Tolerances					
			General tolerance		Mixed products		Clothing	
			Legal basis	Comments	Legal basis	Comments	Legal basis	Comments
Western Balkans - Autonomous measures	Commission Delegated Regulation (EU) 2015/2446 of 28/07/2015 (UCC - DA) - Commission Implementing Regulation (EU) 2015/2447 of 24/11/2015 (UCC-IA)	OJ L343 of 29/12/2015, p. 1 (UCC-DA) p. 558 (UCC-IA)	Art. 64 UCC-DA	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex 22-11 UCC-DA	10%, 20%, 30% in weight	Notes 5 and 6 Annex 22-11 UCC-DA	8% in value (exclusion for linings and interlinings)
Lebanon	Euro-Mediterranean Association Agreement - Protocol 4	OJ L143 of 30/05/2006, p. 73	Art. 6(3)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	8% in value (exclusion for linings and interlinings)
Market Access Regulation decision	Regulation (EU) 2016/1076 of the European Parliament and of the Council of 8/6/2016 - Annex II	OJ L185 of 08/07/2016, p. 16	Art. 4(2)	15% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Appendix I	10%, 20%, 30% in weight	Notes 5 and 6 Appendix I	10% in weight for textile trimmings and accessories (exclusion for linings and interlinings)
Mexico	Decision No 2/2000 of the EC-Mexico Joint Council - Annex III	OJ L245 of 29/09/2000, p. 954	Art. 5(3)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Appendix 1	8%, 8%, 30% in weight	Notes 5 and 6 Appendix 1	8% in value (exclusion for linings and interlinings)

Preferential arrangements	Legal basis	OJ	Tolerances					
			General tolerance		Mixed products		Clothing	
			Legal basis	Comments	Legal basis	Comments	Legal basis	Comments
Morocco	Euro-Mediterranean Association Agreement - Protocol 4	OJ L336 of 21/12/2005, p. 1 (amended in OJ L248 of 22/09/2010 and OJ L17 of 26/01/2016)	Art. 6(2)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	8% in value (exclusion for linings and interlinings)
New Zealand	Free trade agreement – Chapter 3	OJ L, 2024/866, 25.3.2024	Art. 3.5	10% in value (HS Chapters 50-63 excluded)	Notes 7 and 8 Annex 3A	10%, 20%, 30% in weight	Notes 7 and 8 Annex 3A	8% in value (exclusion for linings and interlinings)
Overseas Countries and Territories (OCTs)	Council Decision EU/2021/1764 of 5/10/2021 - Annex II	OJ L355 of 7/10/2021, p.50	Art. 6	a/ 15% in weight for products of Chapter 2 and Chapters 4 to 24 other than processed fishery products of Chapter 16 b/ 15% in value (HS Chapters 50-63 excluded)	Notes 6 and 7 Appendix I	10%, 20%, 30% in weight	Notes 6 and 7 Appendix I	8% in value
Pacific States	Interim Partnership Agreement - Protocol II	OJ L272 of 16/10/2009, p.569	Art. 6(4)	15% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	10 % in weight for trimmings and accessories (exclusion for linings and interlinings)

Preferential arrangements	Legal basis	OJ	Tolerances					
			General tolerance		Mixed products		Clothing	
			Legal basis	Comments	Legal basis	Comments	Legal basis	Comments
PEM Convention	Regional Convention on pan-Euro-Mediterranean preferential rules of origin - Appendix I	OJ L54 of 26/02/2013, p.8	Art. 5(2)	10% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	8% in value (exclusion for linings and interlinings)
PEM Transitional rules	Appendix A to revised agreements between the EU and some PEM contracting parties (see list below in footnote)	See footnote below under "PEM Transitional rules"	Art. 5(1)	a/ 15% in weight for products of Chapter 2 and Chapters 4 to 24 other than processed fishery products of Chapter 16 b/ 15% in value (HS Chapters 50-63 excluded)	Notes 6 and 7 Annex I	15%, 20%, 30% in weight	Notes 6 and 7 Annex I	15% in value (exclusion for linings and interlinings)
Revised PEM Convention	PEM JC Decision No 1/2023 of 07/12/2023 Appendix I	OJ L 2024/390 of 19/02/2024, p. 1	Art. 5(1)	a/ 15% in weight for products of Chapter 2 and Chapters 4 to 24 other than processed fishery products of Chapter 16 b/ 15% in value (HS Chapters 50-63 excluded)	Notes 6 and 7 Annex I	15%, 20%, 30% in weight	Notes 6 and 7 Annex I	15% in value (exclusion for linings and interlinings)
SADC	Economic Partnership Agreement - Protocol I	OJ L250 of 16/09/2016, p. 1924	Art. 8(4)	15% in value (HS Chapters 50-63 excluded)	Notes 5 and 6 Annex I	10%, 20%, 30% in weight	Notes 5 and 6 Annex I	8 % in weight for textile trimmings and accessories (exclusion for linings and interlinings)

Preferential arrangements	Legal basis	OJ	Tolerances					
			General tolerance		Mixed products		Clothing	
			Legal basis	Comments	Legal basis	Comments	Legal basis	Comments
Singapore	Free Trade Agreement – Protocol 1	OJ L294 of 14/11/2019, p. 659	Art. 5(3)	a/ 10% in weight for products of Chapter 2 and Chapters 4 to 24 other than processed fishery products of Chapter 16 b/ 10% in value (HS Chapters 50-63 excluded)	Notes 6 and 7 Annex A	10%, 20%, 30% in weight	Notes 6 and 7 Annex A	8% in value (exclusion for linings and interlinings)
Syria	Cooperation Agreement - Protocol 2	OJ L269 of 27/09/1978, p.22		No provision	Footnotes 1 and 2 of Annex II, List A	10%, 20%, 30% in weight	Footnotes 1 and 2 of Annex II, List A	10% in weight for textile trimmings and accessories (exclusion for linings and interlinings)
Türkiye (ECSC products)	Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee -Protocol 1	OJ L 143 of 06/06/2009, p.3	Art. 6(2)	10% in value				
Türkiye (agricultural products)	Decision No 3/2006 of the EC-Turkey Association Council, of 19 December 2006, amending Protocol 3 to Decision No1/98 of the EC-Turkey Association Council of 25 February 1998 on the trade regime for agricultural products - Protocol 3		Art. 5(2)	10% in value				

Preferential arrangements	Legal basis	OJ	Tolerances					
			General tolerance		Mixed products		Clothing	
			Legal basis	Comments	Legal basis	Comments	Legal basis	Comments
United Kingdom (including the Channel Islands and the Isle of Man) **(Excluded : Gibraltar and the UK OCTs)**	Trade and Cooperation Agreement	OJ L 149 of 30/4/2021, p.10	Art. 42	a/ 15% in weight for products of Chapter 2 and Chapters 4 to 24 other than processed fishery products referred to in Chapter 16 of the HS b/ 10% in value (HS Chapters 50-63 excluded)	Notes 7 and 8 of Annex 2	10%, 20%, 30% in weight	Notes 7 and 8 of Annex 2	8 % in value (exclusion for linings and interlinings)
Vietnam	Free Trade Agreement – Protocol 1	OJ L 186 of 12/06 /2020, p. 1319	Art 5	a/ 10% in weight or ex-works price for products of Chapter 2 and Chapters 4 to 24 other than processed fishery products referred to in Chapter 16 of the HS b/ 10% in value (HS Chapters 50-63 excluded)	Notes 6 and 7 of Annex I	10%, 20%, 30% in weight	Notes 6 and 7 of Annex I	8 % in value.

Andean Countries: Colombia, Ecuador and Peru
CARIFORUM: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, Trinidad and Tobago
Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama
ESA: Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe
Market Access Regulation: Cameroon (importations from Cameroon to the EU) and Kenya

Overseas Countries and Territories: Greenland, New Caledonia and dependences, French Polynesia, French Southern and Antarctic Territories, Wallis and Futuna Islands, Saint Pierre and Miquelon, Saint-Barthelemy, Aruba and Netherlands Antilles

PEM Convention: Albania, Bosnia and Herzegovina, Egypt, Faroe Islands, Georgia, Iceland, Jordan, Kosovo*, Liechtenstein, Montenegro, North Macedonia, Norway, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Republic of Moldova, Serbia, Switzerland, Türkiye and Ukraine

PEM Transitional rules and Revised PEM Convention – applying contracting parties: see https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

SADC: Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland

Pacific States: Fiji, Papua New Guinea, Samoa and Solomon Islands

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

B.3. Insufficient operations

This section explains the application of insufficient operations. These are operations which are of such a minor importance that they would not confer originating status even if the list rule was fulfilled.

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1) Introduction

A product can obtain originating status when sufficient working or processing is carried out on the non-originating materials used in the manufacturing, which is defined in the list rules (see Section B.1 above). To avoid that list rules are fulfilled by only relatively simple operations on non-originating materials, all preferential arrangements contain a provision listing the working or processing which is insufficient to confer origin. These insufficient operations are also referred to as minimal processing or minimal operations.

Insufficient operations are those that, when carried out either individually or in combination, are regarded as being of such minor importance that they never confer originating status when only non-originating materials are used in the production.

Insufficient operations are also important in the context of cumulation as they set the minimal level of processing that has to be carried out to apply cumulation. If the only operation undertaken on the materials originating in another Party with which cumulation is applicable is one or more of the listed insufficient operations, cumulation cannot in general be applied. (See Section B.7 Cumulation.)

2) General overview

Legal references – examples

- Article 6 of Appendix I to the PEM Convention
- Article 3.4 of the EU-Japan EPA
- Article 43 of the EU-UK TCA

a) Use of non-originating materials

Even when the working or processing carried out on non-originating materials meets the list rule, the final product cannot obtain originating status if that working or processing is listed as an insufficient operation in the relevant provision.

Conversely, if an operation is not listed as "insufficient" it does not automatically mean that it is "sufficient" to confer origin on the product. Operations can be more than insufficient, but at the same time not actually sufficient under the terms of the specific list rule which applies. The list rule in question must be consulted to see what conditions have to be met.

The following insufficient operations are those typically found in preferential arrangements. Each operation on its own, including a combination of two or more operations, is considered as an insufficient operation.

a. preserving operations to ensure that the products remain in good condition during transport and storage;

b. breaking-up and assembly of packages;

c. washing, cleaning; removal of dust, oxide, oil, paint or other coverings;

d. ironing or pressing of textiles;

e. simple painting and polishing operations;

f. husking, partial or total bleaching, polishing, and glazing of cereals and rice;

g. operations to colour or flavour sugar or form sugar lumps; partial or total milling of crystal sugar;

h. peeling, stoning and shelling, of fruits, nuts and vegetables;

i. sharpening, simple grinding or simple cutting;

j. sifting, screening, sorting, classifying, grading, matching; (including the making-up of sets of articles);

k. simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

l. affixing or printing marks, labels, logos and other like distinguishing signs on products or their packaging;

m. simple mixing of products, whether or not of different kinds;

n. mixing of sugar with any material;

o. simple addition of water or dilution or dehydration or denaturation of products;

p. simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;

q. slaughter of animals

The different preferential arrangements do not always contain the same list of insufficient operations, so the relevant list should be consulted.

The list of insufficient operations contained in each preferential arrangement is exhaustive. An operation which is not mentioned in the list of a particular preferential arrangement cannot be considered as an insufficient operation.

Interpretation of the term "simple"

Some of the above listed operations can be clearly identified as insufficient, e.g. affixing a label on a product. However, those operations which contain the term "simple", e.g. "simple assembly", need to be assessed further to see if they go beyond insufficient operations.

Some preferential arrangements contain a definition of "simple":

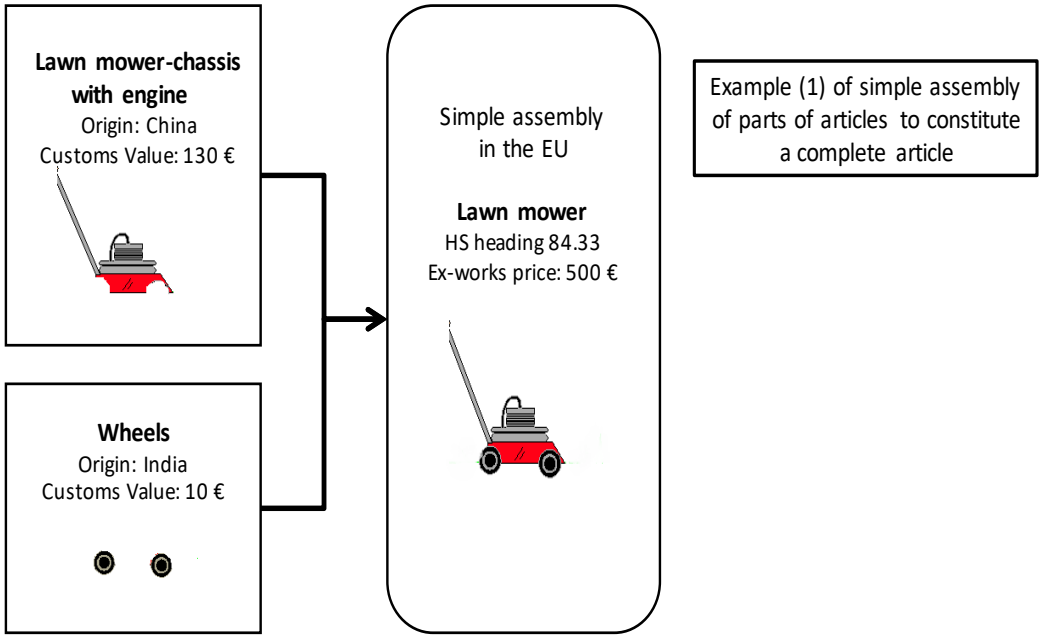
"simple describes activities which need neither special skills, nor machines, apparatus, or equipment especially produced or installed for carrying out the activity"[5].

Although the precise wording may be different in preferential arrangements the use of key elements, such as necessary "special skills" or "machines", is consistent in all cases where a definition is provided. It is important to note that, the use of special skills, machines, apparatus or tools in themselves is not enough for an operation to go beyond "simple" operations. An assessment needs to be made whether without those machines the product could be produced with similar characteristics or properties.

The above definition of "simple" may give guidance for the interpretation of the term "simple" in cases where such a definition is not contained in the relevant preferential arrangement.

[5] EU-Korea FTA Explanatory Notes.

Example: For "simple assembly" according to Article 6(1)(n) of the Origin Protocol to the EU-Korea FTA:



- Simple assembly of parts of articles to constitute a complete article [e.g. Article 6 (1) n) of the Origin Protocol of the EU-Korea FTA].
- Product satisfies the list rule for HS heading 84.33 (column 4).
- Only non-originating materials are insufficiently worked or processed.
- Lawn mower is not originating in the EU.

List rule for HS heading 84.33 in the EU-Korea FTA – Manufacture in which the value of all [non-originating] materials used does not exceed 45 % of the ex-works price of the product.

In this example, non-originating materials represent 28 % of the ex-works price of the final product, thus meeting the requirement of the list rule, but the processing undertaken is insufficient to confer preferential origin on the final product.

The definition of the term "simple" is provided in the following preferential arrangements:

- EU GSP
- EU-Korea FTA (Explanatory Notes)
- EU-Singapore FTA
- EU-Canada CETA
- EU-Japan EPA
- EU-Vietnam FTA
- EU-UK TCA

EU-Canada CETA: The definition of "simple" further requires that the skills, machines, apparatus, or tools used must also contribute to the product's essential characteristics or properties. See the guidance on the EU-Canada CETA:

ceta_guidance_en.pdf (europa.eu) (https://taxation-customs.ec.europa.eu/system/files/2020-10/ceta_guidance_en.pdf)

EU-UK TCA: a specific guidance document is available clarifying the meaning of "insufficient production", including examples and guidance on the term "simple":

https://ec.europa.eu/taxation_customs/document/download/7181686a-10d5-4673-b3f4-90e08d5beb6d_en?filename=WEBSITE%20-%20EU-UK%20TCA%20-%20Draft%20Guidance%20on%20insufficient%20production.pdf

b) Use of originating and non-originating materials

When determining the origin of a final product, all steps in the manufacturing process should be taken into account.

Generally, under the provision on insufficient operations:

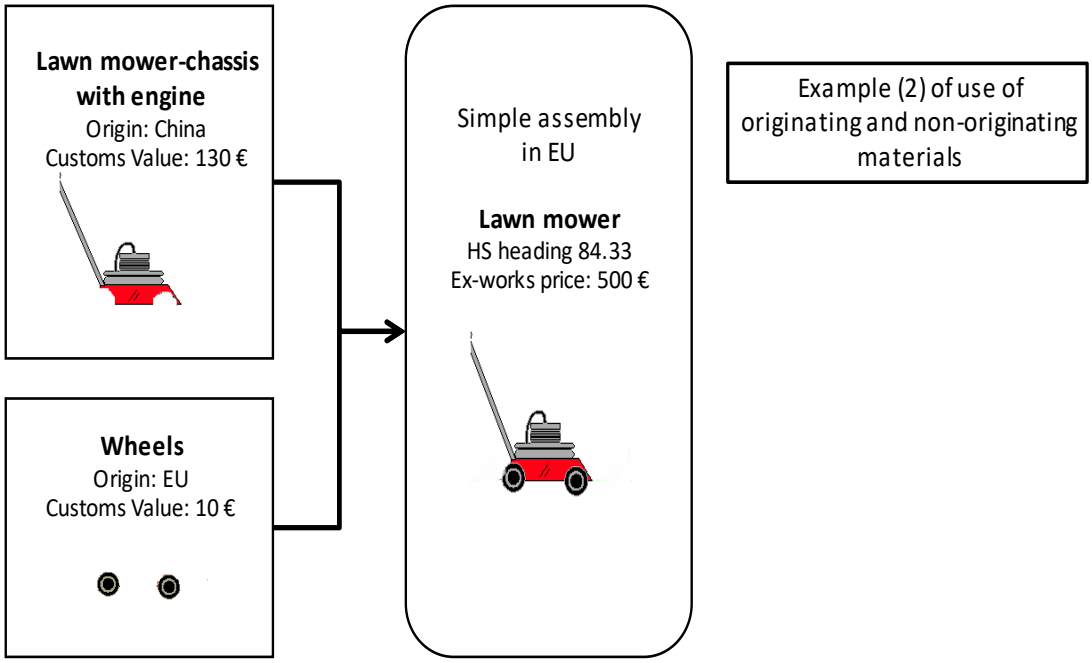
"[a]ll operations carried out in the exporting Party on a given product shall be considered together when determining whether the working or processing undergone by that product is to be regarded as insufficient within the meaning of paragraph [list of insufficient operations]".

Where the above text is not included in the preferential arrangement (e.g. EU-Japan EPA) it is nevertheless stated that insufficient operations only apply if carried out on non-originating materials.

Irrespective of the wording used in the respective agreement, it means that there is already more than an insufficient operation if at least one material is originating in the exporting Party and is used in the production of the final product (regardless of the value of that material).

The fact that more than an insufficient operation is carried out is not in itself sufficient to confer preferential originating status. The list rules (see Chapter B.1) must also be fulfilled for the final product to obtain originating status.

Example: Use of originating and non-originating materials according to Article 6(2) of the Origin Protocol to the EU-Korea FTA:



- Simple assembly in the EU of originating and non-originating parts to constitute a complete article [e.g. Article 6 (1)(n) of the Origin Protocol of the EU-Korea FTA]
- Product satisfies the list rule for HS heading 84.33 (column 4)
- More than an insufficient operation because of the use of EU originating materials [Article 6 (2) of the Origin Protocol of the EU-Korea FTA]
- Lawn mower is originating in the EU

B.4. Approved Exporter

This section briefly describes the Approved Exporter and provides a link to the guidance on Approved Exporters.

1) Introduction

The Approved Exporter is a status granted through authorisation by customs allowing for self-certification of preferential origin of goods by economic operators exporting under certain EU preferential arrangements.

2) General overview

An Approved Exporter is an exporter who meets certain conditions imposed by the customs authorities and who is allowed to self-certify the preferential origin of his goods by making out invoice or origin declarations on an invoice or another commercial document identifying the exported products. This trade facilitation means that the Approved Exporter is not obliged to apply for each export to the customs authorities for the issuance of a movement certificate EUR.1 or EUR-MED. The approved exporter status may be limited in time, by products or by preferential agreement.

If the exporter misuses or abuses the authorisation, it can be withdrawn by the customs authorities.

For details see the guidance on Approved Exporters:

https://ec.europa.eu/taxation_customs/system/files/2019-02/guidance-on-approved-exporters.pdf

B.5. Registered Exporter System

This section briefly describes the Registered Exporter System and provides a link to the guidance on Registered Exporter System.

1) Introduction

The Registered Exporter System (the REX system) is the system of self-certification of preferential origin of goods that was first introduced in the EU GSP scheme. Progressively, the REX system is being applied in the context of other EU preferential arrangements such as the EU-Canada CETA, the EU-Japan EPA, the EU-UK TCA, the EU-Vietnam FTA and the OCT Decision.

2) General overview

The REX system is based on the principle of self-certification by economic operators who may make out documents on origin (statement on origin, or invoice or origin declaration). To be entitled to make out documents on origin, an economic operator has to be registered in a database by the competent authority. Once registered, the economic operator becomes a "Registered Exporter".

The REX system is not only the underlying IT system which is used for the registration of exporters but also the term used to designate a system of self-certification of preferential origin of goods as a whole.

For details see the guidance on Registered Exporter System:

https://taxation-customs.ec.europa.eu/system/files/2022-05/Registered%20Exporter%20System%20%28REX%29%20-%20Guidance%20document.doc.pdf

B.6. Territorial requirements

This section describes the territorial requirements including returned goods, direct transport and exhibitions.

1) Introduction

Goods with a preferential origin must be produced within the territory described in the relevant preferential arrangement. That territory will be composed of the EU territory and the territory of the country or countries covered by the arrangement[6]. There are certain exceptions that allow work on goods to take place outside of that territory.

The territorial requirements do not prevent, under certain conditions, originating goods from transiting third countries and keeping their originating status.

2) Principle of territoriality and returned goods

a) Definition of concept

The principle of territoriality is enshrined in all preferential trade arrangements.

In order to obtain originating status the working or processing on a good must be carried out without interruption in the territory of the European Union or in the territory of the country or countries covered by the preferential arrangement. Originating goods leaving the territories covered by the preferential arrangement lose their originating status.

However, there may be exceptions to this principle.

a) Originating goods might be exported to a country that is outside the territory covered by a preferential arrangement and then return to the exporting country.

b) For various reasons, such as modern manufacturing processes or for economic purposes, it can be advantageous to undertake operations in third countries. Some preferential arrangements allow such external working or processing, provided it conforms to certain specified conditions. Failure to comply with the specific conditions will result in the final product being treated as non-originating.

[6] See Annex 2 on territorial scope.

b) Returned goods

Where originating goods exported to another country outside the preferential trade area are returned to the exporting country they will be considered as non-originating should those goods be used, altered, worked or processed in another country outside the preferential trade area.

Example 1:

Tyres originating in the European Union (according to the origin rules in the EU-Colombia-Peru-Ecuador Trade Agreement) are exported to the USA where they are processed into wheels. The wheels are later imported from the USA to the European Union. If the wheels are then exported from the European Union to Colombia, they would not be considered as originating in the European Union as the tyres have been further processed outside the territory of the preferential trade area.

However, in all preferential arrangements, if it can be demonstrated to the satisfaction of the customs authorities that the goods returned to the exporting country are the same goods as those exported, and have not undergone any operation beyond that necessary to preserve them in good condition while in the third country or while being exported, the goods concerned would keep their originating status.

The exporter requesting the issue of a document on origin or making out such document must be able to prove by using supporting documents that the returned goods are the same as those exported (e.g. non-manipulation certificate issued by a third country's customs authorities).

Example 2:

Goods originating in the European Union (according to the origin rules in the PEM Convention) are exported to Kazakhstan. They are later imported to the European Union from Kazakhstan without any processing or transformation. If these returned goods are then exported to Serbia, they would still be considered as originating in the European Union as they are the same as those which were previously exported to Kazakhstan and they have not undergone any operation beyond that necessary to preserve them in good condition in Kazakhstan or while being exported. It is up to the exporter in the EU to demonstrate that the goods are the same as those exported to Kazakhstan.

Example 3:

A tunnelling machine originating in the EU in the context of the EU-Mexico Agreement is exported to Ecuador from the EU for construction of a metro line in Quito. After 2 years the machine, after being first imported back to the EU, is then exported to Mexico but now it has lost its originating status as it has been used in Ecuador. It entered in free circulation in Ecuador, it exited customs control there and it is regarded as potentially altered or changed.

c) Particularities

Documents on origin indicating "EU" origin for goods returned to the customs territory of the EU from a third country with which the EU has a preferential arrangement cannot be accepted for preferential tariff treatment, with the exception of goods exported

- from Switzerland falling within Chapters 25-99 or listed in table II of Protocol No 2 of the Free Trade Agreement with Switzerland. The same applies to goods from Liechtenstein if they are not covered by the EEA Agreement.
- from Canada.

The exporter in Switzerland, Liechtenstein can request the document on origin, indicating that the returned goods have 'EU' origin, (not, as might be expected, Swiss or Liechtenstein origin).

The exporter in Canada makes out the document on origin indicating "Canada/EU" origin."

Nevertheless, even though the preferential tariff treatment cannot be applied apart from the above examples, the goods returned to the EU retain their EU originating status and may be incorporated in other products exported under the framework of the same preferential arrangement.

In the case of EEA originating goods produced in the EU and subsequently returning to the EU, for those goods preferential treatment can be granted with EEA origin.

d) Goods re-imported after working or processing outside the territory of partner countries

By exception to the principle of territoriality, some preferential agreements (see Annex 2 – Legal basis) make it possible for goods originating in a partner country and exported to a third country to keep their originating status if reimported in the partner country of export after working or processing in the territory of the third country.

The conditions required are:

- the materials are wholly obtained or have undergone working or processing beyond insufficient operations in a partner country prior to export (see Section B.3 Insufficient Operations);
- it is shown that the re-imported goods are the result of working or processing carried out in the third country on the previously exported materials;
- the total added value acquired outside the territory of the partner countries does not exceed 10% of the ex-works price of the final product for which preference is being sought;
- the working or processing done outside the exporting partner country shall be done under the outward processing arrangements or similar arrangements;
- the products are not classified under Chapters 50 to 63 of the HS.

If any of the above conditions cannot be complied with the re-imported goods will be treated as non-originating.

Example 4:

Shoes (classified in HS chapter 64 and having a value of EUR 100/pair) originating in the European Union are exported under the outward processing procedure to Azerbaijan for finishing operations. The shoes are re-imported in the EU where the outward processing procedure is discharged. The value of the shoes is EUR 108/pair. The European Union exporter intends to send the shoes to Switzerland. A proof of preferential origin may be issued or made out in the European Union for these goods in accordance with the provisions of the PEM Convention, as the added value in Azerbaijan is less than 10%.

If the final product obtains originating status by applying the general tolerance rule for non-originating materials, the territorial tolerance permitted under this provision cannot additionally be applied. The two tolerance rules cannot be applied together when determining the origin of the final product.

When determining the origin of the final product, working or processing performed outside the territory of the partner countries generally should not be taken into account. Nevertheless, where the value-added product list rule applies to the final product the total value of the working or processing done outside the territory of the partner countries must be taken into account together with the value of the non-originating materials incorporated in the territory of the partner country concerned. The combined values (the value added outside the territory and the value of the non-originating materials) should not exceed the percentages stated in the list rule.

Example 5: EU-SADC EPA - Electric toothbrushes (HS heading 85.09)

A rule for electric toothbrushes (HS heading 85.09) requires:

"Manufacture in which the value of all the [non-originating] materials used does not exceed 30% of the ex-works price of the product"

Packed electric toothbrushes are to be exported from the EU to South Africa. The unpacked electric toothbrushes of EUR 50 have been manufactured in the EU using non-originating materials of EUR 14. They are originating in the EU as the list rule is met.

They are then exported under the outward processing procedure to Armenia for packaging operations.

The ex-works price of the packed electric toothbrushes returning to the EU from Armenia is EUR 54. They are not originating as the value of the non-originating materials incorporated in the EU (EUR 14) and the value added in Armenia (EUR 4) exceeds the maximum value limit of the list rule (30 % of the ex-work-price)[7].

[7] EUR 54 x 30% = EUR 16.20 is less than EUR 4 + EUR 14 = EUR 18.

3) Direct transport, “non-alteration” and “non-manipulation” rules

a) General overview

i. Direct transport

To benefit from the preference, originating goods must be transported directly from the exporting partner country’s territory to the territory of the European Union (and vice versa) without passing through the territory of any third country. The purpose of this rule is to ensure that the goods arriving in the country of import are the same as those which left the country of export.

However, goods may be transported through third countries’ territories with possible transhipment or temporary warehousing without losing their originating status, provided they remain under surveillance of the customs authorities in the country of transit or warehousing and do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition.

The importer must be able to prove that this condition is fulfilled, otherwise preferential treatment is denied by the customs authorities irrespective of the originating status of the goods.

Depending on the trade preference arrangement concerned, evidence that the direct transport conditions are complied with can be given by the following:

- a single transport document covering the passage from the exporting country to the importing country through the country of transit[8];
- a certificate of non-manipulation issued by the customs authorities of the country of transit:

  (i) giving an exact description of the products;

  (ii) stating the dates of unloading and reloading of the products and, where applicable, the names of the ships, or the other means of transport used; and

  (iii) certifying the conditions under which the products remained in the transit country;
- any substantiating documents to the satisfaction of the customs authorities of the importing country[9].

ii. “Non-manipulation” or “non-alteration” rule

In certain preferential arrangements the direct transport rule is defined as a “non-manipulation” or “non-alteration” rule. Under this less cumbersome variation, the splitting of consignments and operations for the adding or affixing marks, labels, seals or any other documentation to ensure compliance with specific domestic requirements are allowed in addition to those of

[8] Customs documents authorising the transhipment or temporary storage can also be presented according to the EU-Colombia-Peru-Ecuador Trade Agreement.

[9] This possibility is not provided for in the EU-Korea FTA.

direct transport (unloading, reloading or any operation designed to preserve goods in good condition).

The requirements are deemed to have been met unless the customs authorities have reasons to believe the contrary. In such cases importers may be required to provide evidence of compliance, which can be those documents mentioned for direct transport.

Additionally, other factual or concrete evidence based on marking or numbering of packages or any evidence related to the goods themselves may also be presented.

Under the "non-manipulation" or "non-alteration" rule, the splitting of consignments may take place in a third country where carried out by the exporter or under his responsibility, provided that the goods remain under customs supervision in the country of transit.

If the goods were transported from a feeder vessel and then consolidated with other consignments in a seaport in passage to the European Union, then there should be a transport document (e.g. bill of lading) for each leg of the journey. A document that similarly covers the leg from the consolidating port to the European Union will not be sufficient because the country of export from where the originating goods have left is not known.

b) Particularities

Direct transport in an area where cumulation applies (e.g. PEM Convention)

The reason for the direct transport rule is to ensure that in principle all working or processing is carried out in the contracting parties of the cumulation zone and to prevent goods which are in breach of that condition from benefiting from preferential origin. Transportation between two contracting parties of the zone through the territory of other contracting parties of the zone with which cumulation is applicable should not present any difficulties as the transportation is carried out between the contracting parties among which cumulation is applicable.

Example 6: Cumulation applicable

Goods originating in North Macedonia are transported by road to Croatia via Serbia. As North Macedonia, Serbia and the EU are part of the same cumulation zone the conditions for direct transport are considered to be met, and preferential treatment can be claimed.

Example 7: Cumulation not applicable

Goods originating in Tunisia are transported to Poland via Algeria. As cumulation is not applicable between Algeria, Tunisia and the EU, the conditions for direct transport must be met for preferential treatment to be claimed.

The PEM matrix should be checked for the conditions on cumulation and, therefore, whether the conditions of direct transport must be met.

https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

4) Exhibitions

a) General overview

In most preferential arrangements, exhibited products that are sold at or after the exhibition in a third country for importation into the European Union or into the territory of the other party of the preferential arrangement may benefit from preferential treatment provided that it is shown to the satisfaction of the customs authorities that:

- the goods were consigned by an exporter from the European Union or from another partner country to the country of exhibition and were exhibited in that third country;
- they were sold by the exporter to an economic operator in the European Union or another partner country;
- they are consigned during exhibition or immediately after exhibition in the same state as they were sent for exhibition;
- since they were consigned for exhibition they have not been used for any other purpose other than demonstration at the exhibition.

A proof of origin must be submitted to the customs authorities of the importing country. The name and address of the exhibition must be indicated. Where necessary, additional documentary evidence of the conditions under which they were exhibited may be required. Preferential treatment will apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show, provided it is not organised for private purposes and the products remain under customs control during its duration.

Example 8:

Goods originating in the European Union are exported to Mexico for an exhibition. They are under a temporary admission procedure in Mexico. These goods are bought by an economic operator from the CARIFORUM area during the exhibition and sent to him at the end of the exhibition. A proof of preferential origin may be issued or made out in the European Union for these goods in accordance with the provisions of the CARIFORUM EPA.

Annex 2 Territorial requirements - Legal basis

Preferential arrangements	Legal basis	OJ	Territorial requirements				
			Principle of territoriality	Direct transport		Exhibitions	Goods reimported after working or processing
			Legal basis	Legal basis	Comments	Legal basis	Legal basis
Algeria	Euro-Mediterranean Association Agreement - Protocol 6	OJ L297 of 15/11/2007, p.3	Art 12	Art 13		Art 14	Art 12
Andean Countries	Trade Agreement - Annex II	OJ L354 of 21/12/2012, p. 2075	Art 12	Art 13		Art 14	No provision
Andorra (Agricultural products)	Appendix to the Agreement - Decision No 1/2015 of the EU-Andorra Joint Committee	OJ L344 of 30/12/2015, p. 15	Art 10	Art 11		Art 12	Art 10
Cameroon (imports to Cameroon) **For imports to EU, see Market Access Regulation decision below)**	Decree No 2016/367 of 3 August 2016 of the Republic of Cameroon		Art 12	Art 13		Art 14	No provision
Canada	Comprehensive Economic and Trade Agreement (EU-Canada CETA) - Protocol	OJ L11 of 14/01/2017, p. 465	Art 15	Art 14 + 22		No provision	No provision
CARIFORUM	Economic Partnership Agreement - Protocol I	OJ L289 of 30/10/2008, p. 1805	Art 13	Art 14		Art 15	No provision
Central America	Association Agreement - Annex II	OJ L346 of 15/12/2012, p. 1803	Art 11	Art 12		Art 13	Art 11
Ceuta and Melilla	Council Regulation (EC) No 82/2001 of 5/12/2000	OJ L20 of 20/01/2001, p. 1	Art 12	Art 13		Art 14	No provision
Chile	Interim Trade Agreement - Chapter 3, Annexes 3-A to 3-E	OJ L, 2024/2953 of 20.12.2024, p. 12	Art 3.2(3)	Art 3.14	Use of the concept of non-alteration	Art 3.15	No provision

Preferential arrangements	Legal basis	OJ	Territorial requirements				
			Principle of territoriality	Direct transport		Exhibitions	Goods reimported after working or processing
			Legal basis	Legal basis	Comments	Legal basis	Legal basis
Côte d'Ivoire	Stepping stone Economic Partnership Agreement – Decision 2/2019 of the EPA Committee - Protocol 1	OJ L49 of 21/02/2020, p. 1	Art 14	Art 15	Use of the concept of non-alteration	Art 16	Art 14
ESA	Interim Agreement establishing a framework for an Economic Partnership Agreement – Amended Protocol 1	OJ L93 of 27/03/2020, p. 1	Art 13	Art 14		Art 15	No provision
Generalised Scheme of Preferences (GSP)	Commission Delegated Regulation (EU) 2015/2446 of 28/07/2015 (UCC - DA) - Commission Implementing Regulation (EU) 2015/2447 of 24/11/2015 (UCC-IA)	OJ L343 of 29/12/2015, p. 1 (UCC-DA) p. 558 (UCC-IA)	Art 42	Art 43	Use of the concept of non-manipulation	No provision	No provision
Ghana	Stepping stone Economic Partnership Agreement – Decision 1/2020 of the EPA Committee – Protocol 1	OJ L350 of 21/10/2020, p.1	Art 14	Art 15	Use of the concept of non-alteration	Art 16	Art 14
Israel	Euro-Mediterranean Association Agreement - Protocol 4	OJ L20 of 24/01/2006, p. 1	Art 12	Art 13		Art 14	Art 12
Japan	Economic Partnership Agreement (chapter 3) + Annex 3A	OJ L330 of 27/12/2018, p. 23	Art 3.2 and 3.11	Art 3.10	Use of the concept of non-alteration	No provision	No provision
Korea	Free Trade Agreement - Protocol	OJ L127 of 14/05/2011, p. 1344	Art 12	Art 13		No provision	No provision

Preferential arrangements	Legal basis	OJ	Territorial requirements				
			Principle of territoriality	Direct transport		Exhibitions	Goods reimported after working or processing
			Legal basis	Legal basis	Comments	Legal basis	Legal basis
Western Balkans - Autonomous measures	Commission Delegated Regulation (EU) 2015/2446 of 28/07/2015 (UCC - DA) - Commission Implementing Regulation (EU) 2015/2447 of 24/11/2015 (UCC-IA)	OJ L343 of 29/12/2015, p. 1 (UCC-DA) p. 558 (UCC-IA)	Art 68	Art 69		Art 70	No provision
Lebanon	Euro-Mediterranean Association Agreement - Protocol 4	OJ L143 of 30/05/2006, p. 73	Art 12	Art 13		Art 14	No provision
Market Access Regulation decision	Regulation (EU) 2016/1076 of the European Parliament and of the Council of 8/6/2016 - Annex II	OJ L185 of 08/07/2016, p. 16	Art 11	Art 12		Art 13	No provision
Mexico	Decision No 2/2000 of the EC-Mexico Joint Council - Annex III	OJ L245 of 29/09/2000, p. 954	Art 12	Art 13		No provision	No provision
Morocco	Euro-Mediterranean Association Agreement - Protocol 4	OJ L336 of 21/12/2005, p. 1 (amended in OJ L248 of 22/09/2010 and OJ L17 of 26/01/2016)	Art 12	Art 13		Art 14	Art 12
New Zealand	Free trade agreement – Chapter 3	OJ L, 2024/866, 25.3.2024	Art 3.2(3)	Art 3.15	Use of the concept of non-alteration	Art 3.15(2)	No provision
Overseas Countries and Territories (OCTs)	Council Decision (EU) 2021/1764 of 05/10/2021 - Annex II	OJ L355 of 07/10/2021, p.50	Art 17	Art 18	Use of the concept of non-manipulation	Art 19	No provision
Pacific States	Interim Partnership Agreement - Protocol II	OJ L272 of 16/10/2009, p.569	Art 12	Art 13		Art 14	No provision
PEM Convention	Regional Convention on pan-Euro-Mediterranean preferential rules of origin - Appendix I	OJ L54 of 26/02/2013, p.8	Art 11	Art 12		Art 13	Art 11

Preferential arrangements	Legal basis	OJ	Territorial requirements				
			Principle of territoriality	Direct transport		Exhibitions	Goods reimported after working or processing
			Legal basis	Legal basis	Comments	Legal basis	Legal basis
PEM Transitional rules	Appendix A to revised agreements between the EU and some PEM contracting parties (see list below in footnote)	See footnote below under "PEM Transitional rules"	Art 13	Art 14	Use of the concept of non-alteration	Art 15	Art 13
Revised PEM Convention	PEM JC Decision No 1/2023 of 07/12/2023 - Appendix I	OJ L 2024/390 of 19/02/2024, p. 1	Art 13	Art 14	Use of the concept of non-alteration	Art 15	Art 13
SADC	Economic Partnership Agreement - Protocol I	OJ L250 of 16/09/2016, p. 1924	Art 14	Art 15	Use of the concept of non-alteration	Art 18	Art 14
Singapore	Free Trade Agreement – Protocol 1	OJ L294 of 14/11/2019, p. 659	Art 12	Art 13	Use of the concept of non-alteration	Art 14	No provision
Syria	Cooperation Agreement - Protocol 2	OJ L269 of 27/09/1978, p.22	No provision	Art 5		Art 18	No provision
Türkiye (ECSC products)	Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee - Protocol 1	OJ L 143 of 06/06/2009, p.3	Art 12	Art 13		Art 14	Art 12
Türkiye (agricultural products)	Decision No 3/2006 of the EC-Turkey Association Council, of 19 December 2006, amending Protocol 3 to Decision No1/98 of the EC-Turkey Association Council of 25 February 1998 on the trade regime for agricultural products - Protocol 3		Art 10	Art 11		Art 12	
United Kingdom (including the Channel Islands and the Isle of Man)	Trade and Cooperation Agreement	OJ L149 of 30/04/2021, p 10	Art 39(3)	Art 52	Use of the concept of non-alteration	Art 52(2)	No provision

Preferential arrangements	Legal basis	OJ	Territorial requirements				
			Principle of territoriality	Direct transport		Exhibitions	Goods reimported after working or processing
			Legal basis	Legal basis	Comments	Legal basis	Legal basis
(Excluded : Gibraltar and the UK OCTs)							
Vietnam	Free Trade Agreement – Protocol 1	OJ L186/3 of 12/6/2020, p 1319	Art 12	Art 13	Use of the concept of non-alteration	Art 14	No provision

Andean Countries: Colombia, Ecuador and Peru
CARIFORUM: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, Trinidad and Tobago
Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama
ESA: Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe
Market Access Regulation: Cameroon (importations from Cameroon to the EU) and Kenya
Overseas Countries and Territories: Greenland, New Caledonia and dependences, French Polynesia, French Southern and Antarctic Territories, Wallis and Futuna Islands, Saint Pierre and Miquelon, Saint-Barthelemy, Aruba and Netherlands Antilles
PEM Convention: Albania, Bosnia and Herzegovina, Egypt, Faroe Islands, Georgia, Iceland, Jordan, Kosovo*, Liechtenstein, Montenegro, North Macedonia, Norway, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Republic of Moldova, Serbia, Switzerland, Türkiye and Ukraine.
PEM Transitional rules and Revised PEM Convention – applying contracting parties: see https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en
SADC: Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland
Pacific States: Fiji, Papua New Guinea, Samoa and Solomon Islands
* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

B.7. Cumulation

This describes cumulation in which materials originating in one country may be treated as originating in another partner country or region.

1) Introduction

The practice of manufacturing may involve two or more countries and therefore materials originating in other countries could be used in a manufacturing process. In such cases, cumulation makes it easier for economic operators to satisfy the rules of origin.

In this context, cumulation is a facilitation that allows materials originating in one country that is party to a preferential arrangement to be used in the subsequent production in another country that is a party to such a preferential arrangement. In this case the originating materials of the first country can be treated as if they were originating in the latter country for the purposes of determining the origin of the final product.

2) Definition of concept

The basic rules of origin specify that only products which are wholly obtained, produced exclusively from originating materials, or are sufficiently worked or processed according to the relevant list rules in one country may be regarded as originating in that country.

i) Cumulation does not apply to the basic rule of **wholly obtained products**. However, where the list rule requires the manufacture from wholly obtained products cumulation may apply (for example, olive oil produced in the EU from wholly obtained EU and partner country olives would be originating in the EU when exported to that partner country).

ii) Where goods are **produced exclusively from originating materials** (EU and/or partner country), cumulation applies to those originating materials of the partner country.

iii) The **list rules** (see Section B.1 List rules) specify the working or processing required to be carried out on non-originating materials so that the final products can be considered as originating. In the case of cumulation, the working or processing carried out in each partner country on originating materials does not need to fulfil the list rule, it is enough that these operations go beyond insufficient working or processing (See Section B.3 Insufficient operations).

Where non-originating and originating materials are used in the production of the final product, the non-originating materials have to be sufficiently worked or processed according to the list rules regardless of the application of cumulation.

3) General overview

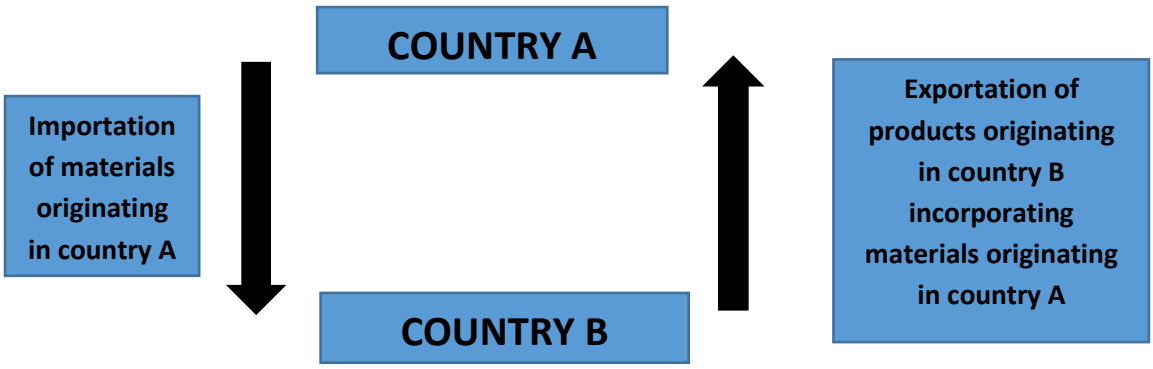
There are three basic types of cumulation in the EU preferential arrangements: bilateral cumulation, diagonal cumulation and full cumulation.

a) Bilateral cumulation

Bilateral cumulation is common to most preferential arrangements because they generally contain a provision allowing cumulation of origin. It means that producers in either partner country can use materials originating in the other partner country as if they were originating in their own country.

In order to benefit from bilateral cumulation the working or processing must be carried out on originating materials from the partner country. The working or processing must go beyond insufficient operations in the country of last production to be originating there[10].

Bilateral cumulation can be explained as follows:



Example 1 (EU-Serbia - PEM Convention - OJ L54 26/02/2013):

A musical instrument classified under HS chapter 92 originating in the EU is sent to Serbia where it undergoes further working or processing (through varnishing) which goes beyond the minimal operations as set out in Article 3 of Appendix I to the PEM Convention. The final product is originating in Serbia when exported back to the EU because the working and processing goes beyond insufficient working or processing. Therefore, preference can be claimed.

Example 2 (EU-Bosnia and Herzegovina - PEM Convention - OJ L54 26/02/2013):

A pullover classified under HS chapter 61 is manufactured in Bosnia and Herzegovina by sewing together knitted fabrics originating in the EU. According to Appendix I to the PEM

[10] For the EU-Canada CETA it is not necessary to go beyond insufficient operation (see guidance on EU-Canada CETA).

Convention, the specific rule of origin for pullovers requires manufacturing from yarn in order that origin is conferred to the pullover. If there was no cumulation in the agreement, the manufacturing process of sewing together knitted fabrics in Bosnia and Herzegovina would not confer origin and the pullover would have to be considered as non-originating when exported to the EU. Nonetheless, the pullover is considered to be originating in Bosnia and Herzegovina since it was manufactured from fabrics originating in the EU according to the bilateral cumulation provision in Article 3 of Appendix I to the PEM Convention.

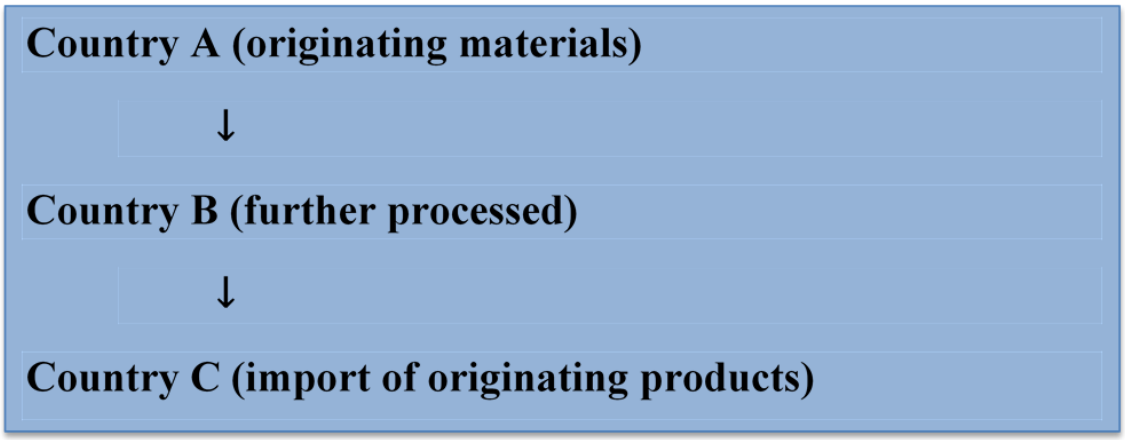
b) Diagonal cumulation

Diagonal cumulation operates between more than two countries which have preferential arrangements with each other where provisions exist for such cumulation. Some arrangements, like the PEM Convention, require notices indicating the fulfilment of the necessary requirements to apply cumulation.

In order to benefit from diagonal cumulation the materials must be originating in the countries participating in diagonal cumulation.

The origin of the goods is retained when they only move between countries belonging to the same system of diagonal cumulation without any further working or processing in another country. There are some exceptions to this principle in specific types of diagonal cumulation.

Diagonal cumulation can be demonstrated as follows:



All three countries, countries A, B and C apply diagonal cumulation within their preferential arrangements. Only originating materials from country A are used to produce an originating product in country B for further export to country C. Only more than insufficient operations in country B is enough that the final product obtains origin of country B.

Example 1 (EU-Switzerland-Serbia – PEM Convention – OJ L54 26/02/2013)

An operator in Switzerland produces a machine using materials of EU origin and exports the final product to Serbia. The final product will have Swiss origin as all necessary preconditions for diagonal cumulation have been met (agreements containing identical rules of origin

between EU, CH and RS as well as the publication of the relevant matrix) and the materials used to produce the machine are already originating in the zone and have undergone more than insufficient operations.

Example 2 (EU- Türkiye -Switzerland-Morocco – PEM Convention – OJ L54 26/02/2013)

An operator in the EU produces a product using materials of Moroccan origin for export to Switzerland. As the necessary preconditions are met (agreements containing identical rules of origin between MA, CH and EU as well as the publication of the relevant matrix) and the materials used to produce the finished product are already originating in the zone and have undergone more than insufficient operations, the product obtains EU origin. In Switzerland the product is incorporated into a machine that also contains components with Turkish origin and is then exported to Morocco.

The machine produced in Switzerland has Swiss origin because all the components used to produce it are already originating in the zone and the materials originating in the EU and Türkiye have undergone more than insufficient operations. All other preconditions have also been met.

If there were no free trade agreement between Morocco and Türkiye, Turkish materials would be non-originating.

Morocco (originating materials)

↓

EU (further processed) **Türkiye (originating materials)**

↓ ↓

Switzerland (import of originating materials and further processing)

↓

Morocco (imports Swiss originating goods)

Example 3 (South Africa-EU – Protocol 1 to the EU-SADC EPA – OJ L250 19/06/2016)

An operator in South Africa manufactures car parts (HS heading 8708) that are exported to the EU. For being more competitive the operator decides to import aluminium. Aluminium is a main element of the car part and represents more than 50% of the ex-works price of the final product. In case aluminium is originating from India (third country), the value-added criteria of the list rule would not be met because the operator would not bring enough added value in South Africa (40% maximum non-originating materials). However, under cumulation, the economic operator could decide to source aluminium from (and originating in) Mozambique, a partner under the EU-SADC EPA. Aluminium would be considered as originating in South

Africa[11] *and since the processing carried out there would go beyond insufficient operations, the finished product would obtain South African preferential origin when exported to the EU.*

Regional cumulation

Regional cumulation is a form of diagonal cumulation, which exists under the EU Generalised Scheme of Preferences (EU GSP) and under certain Economic Partnership Agreements with ACP countries (e.g. EU-SADC, EU-ESA, EU-Pacific) and operates between members of a regional group of beneficiary countries (e.g. ASEAN, SADC, etc.).

Extended cumulation

Under certain conditions, goods originating in a country with which the EU has a free-trade agreement in force in accordance with Article XXIV of the GATT may be used in the manufacture of a product in the beneficiary country, provided more than a minimum amount of processing is done there - this is known as extended cumulation. This form of cumulation only exists on request under the EU GSP and within the association of the OCTs with the EU (see below in Particularities).

c) Full cumulation

Whereas bilateral and diagonal cumulations only apply to originating materials, full cumulation applies to working and processing on non-originating materials. Full cumulation means that all operations carried out in the partner countries where full cumulation applies are taken into account when assessing the origin of the final product.

Provisions on full cumulation can be found in the PEM cumulation area, but also in other preferential arrangements, for example within the Economic Partnership Agreements, the EU-Canada CETA and the EU-UK TCA.

Example 1 (Tunisia-Morocco-EU – PEM rules in Protocol 4 to the Euro-Mediterranean Association Agreement)

Chinese yarns are imported into Tunisia where they are manufactured into fabric. The fabric does not qualify for preferential origin if exported to the EU as the rules of origin for fabric require manufacture from fibre (double transformation). The non-originating fabric is exported from Tunisia to Morocco based on a supplier's declaration (for goods which have undergone working in Tunisia without having obtained preferential originating status) where it is manufactured into garments. In Morocco, the finished garments obtain preferential origin status because the work carried out in Morocco is combined with the work carried out in Tunisia to produce originating garments. The double transformation requirement is then fulfilled in the territory of the two countries benefiting from full cumulation. The final product obtains Moroccan origin and can be exported to the EU under preference.

[11] Subject to the fulfilment of relevant administrative requirements.

Example 2 (Lesotho-Botswana-EU - EU-SADC EPA – OJ L250 16/09/2016)

Woven fabric of cotton (HS heading 52.08) is valued at 100 EUR. It is prepared and printed in Botswana and Lesotho from non-originating unbleached and unprinted cotton fabric originating in China and valued at 45 EUR.

The applicable product specific rule is:

"Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerizing, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47,5 % of the ex-works price of the product"

The material imported from China is scoured and bleached in Lesotho, (value of operations = 25 EUR), and afterwards printed in Botswana (value of operation = 30 EUR). The value of non-originating materials represents 45% of the ex-works price of the product being exported to the EU and, since the processing goes beyond insufficient operations, the final product is originating in Botswana (not Lesotho). The final product gets originating status because the processing carried out in Lesotho is combined with the processing carried out in Botswana to produce the originating woven fabric of cotton.

4) Particularities

a) PEM System

Detailed information on cumulation within the PEM system can be found in the following documents:

i) User's Handbook to the rules of Preferential Origin used in the trade between the EU, other European countries and the countries participating to the Euro-Mediterranean Partnership (PEM Handbook):

https://ec.europa.eu/taxation_customs/system/files/2016-09/handbook_en_0.pdf

ii) Explanatory Notes:

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52007XC0417(01)

b) Revised PEM Convention

Diagonal cumulation for all products is maintained on the condition that identical rules of origin are applied between the partners involved in the cumulation. Additionally, full cumulation is provided for all products except those in HS Chapters 50-63. For those products, the revised rules provide for bilateral full cumulation.

For products in HS Chapters 50-63, the Revised PEM Convention provide an extension of territoriality for the EU Stabilisation and Association Process (SAP) states and the Republic of

Moldova. Here, the Republic of Moldova and the participants of the EU SAP states are considered as a single contracting party (Revised PEM Convention Article 7(4)).

Detailed information on all items of Revised PEM Convention can be found at:

https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

c) EU GSP

Detailed information on cumulation within GSP can be found in A Guide for users on GSP rules of origin.

https://ec.europa.eu/taxation_customs/system/files/2016-09/guide-contents_annex_1_en.pdf

d) ACP states

i. Economic Partnership Agreements (EPAs)

The Economic Partnership Agreements (EPAs) as well as Interim Economic Partnership Agreements concluded by the EU with ACP States provide for bilateral, diagonal and full cumulation.

Consequently, for the purposes of defining the concept of originating products, the territories of the ACP States are considered as one territory. This means that if a manufacturer in an ACP State uses materials from one or more other ACP States, the materials are treated no differently from those obtained in the ACP State in which the manufacture takes place.

Additionally, the EPAs allow for different kinds of cumulation. They provide for:

- Cumulation with materials from Overseas Countries or Territories (OCTs)
- Cumulation with materials benefitting from MFN duty free treatment in the EU
- Cumulation with materials benefitting from preferential duty-free and quota-free access to the EU

Cumulation with materials from OCTs

Materials originating in OCTs shall be considered as materials originating in the ACP States when the working or processing carried out in the ACP State exceeds insufficient operations (Diagonal cumulation).

Working and processing operations carried out in OCTs shall be considered as having been carried out in the ACP States when the materials undergo subsequent working or processing in the ACP States beyond insufficient operations (Full cumulation).

Cumulation with materials benefitting from MFN duty free treatment in the EU

Cumulation with materials subject to MFN duty-free treatment[12] in the EU is a particular form of cumulation with materials regardless of their origin. Those materials need only to have undergone working or processing going beyond insufficient operations for the materials to be treated as originating.

Example 1 (EU-SADC EPA – OJ L250 16/09/2016)

A manufacturer in South Africa imports frozen swine liver (HS sub-heading 0206.41) from the USA, which is MFN zero in the EU. This offal is used as an ingredient to make dog food (HS heading 23.09) for which the rule of origin requires the materials of Chapter 2 to be wholly obtained. All other materials used are originating in South Africa. Through cumulation the offal is treated as an originating material. Therefore, the list rule is fulfilled and the dog food is originating in South Africa under the EU-SADC EPA.

Cumulation with materials benefitting from preferential duty-free and quota-free access to the EU

This type of diagonal cumulation in general applies for materials originating in GSP beneficiary countries, excluding GSP+ countries, that benefit from preferential duty-free and quota-free access to the EU.

For materials benefitting from preferential duty-free and quota-free access to the EU that originate in partner countries with EU preferential arrangements the use of this cumulation, which is subject to certain conditions, requires a request from the ACP State and a favourable decision of the Commission[13].

In all cases the materials need to be worked or processed beyond insufficient operations.

ii. Market Access Regulation (MAR)

Besides the EPAs, the Market Access Regulation (MAR) applies in the arrangements to products originating in certain countries which are part of the ACP States for which there is no EPA in force or the EPA has no provisions on the rules of origin.

Cumulation with neighbouring developing countries

Subject to certain conditions and a request from an ACP state, cumulation with materials originating in "neighbouring developing countries, other than an ACP state, belonging to a coherent geographical entity" is allowed. The cumulation can only be applied if the working or processing carried out in the ACP State goes beyond insufficient operations.

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12 Excluding materials subject to EU anti-dumping or countervailing measures and other conditions.
13 No request has been made by an ACP State.

e) Other preferential arrangements

Overseas Countries and Territories (OCTs)

For the purpose of defining the concept of origin, OCTs are considered as one territory. This means that if a manufacturer in an OCT uses materials from one or more other OCTs, the materials are treated no differently from those obtained in the OCT in which the manufacture takes place.

Additionally, the OCTs allow for different kinds of cumulation as follows:

Cumulation with the EU and Economic Partnership Agreement (EPA) states

In general, bilateral cumulation, diagonal cumulation and full cumulation are applicable.

Cumulation with GSP countries

In general, cumulation with countries benefitting from duty-free and quota-free access to the European Union is applicable under the EU GSP (excluding GSP+ countries).

Extended cumulation

The Commission may grant, at the request of an OCT, cumulation of origin with a country with which the EU has a free trade agreement in force.

Annex 3: Cumulation applicable in preferential arrangements

Preferential arrangements	Legal basis	OJ	Cumulation			
			Legal basis			
			Bilateral cumulation	Diagonal cumulation for EU exports	Diagonal cumulation for EU imports	Full cumulation
Algeria	Euro-Mediterranean Association Agreement - Protocol 6	OJ L297 of 15/11/2007, p.3	Art 3 and 4	Art 3 and 4 PEM matrix https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en		Art 3 and 4 EU
Andean Countries	Trade Agreement - Annex II	OJ L354 of 21/12/2012, p. 2075	Art 3	No	Central America (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama) and Bolivia (GSP)	No
Andorra (Agricultural products)	Appendix to the Agreement - Decision No 1/2015 of the EU-Andorra Joint Committee	OJ L344 of 30/12/2015, p. 15	Art 3	No		No
Cameroon (imports to Cameroon) **For imports to EU, the Market Access Regulation applies)**	Decree No 2016/367 of 3 August 2016 of the Republic of Cameroon	/	Art 7	No	Art 7 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Art 7 See table on cumulation in the EU Economic Partnership Agreements with ACP countries
Canada	Comprehensive Economic and Trade Agreement (EU-Canada CETA) - Protocol	OJ L11 of 14/01/2017, p. 465	Art 3	No		Art 3

Preferential arrangements	Legal basis	OJ	Cumulation			
			Legal basis			
			Bilateral cumulation	Diagonal cumulation for EU exports	Diagonal cumulation for EU imports	Full cumulation
CARIFORUM	Economic Partnership Agreement - Protocol I	OJ L289 of 30/10/2008, p. 1805	Art 3 and 4	Art 3, 4 and 5 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Art 3 and 4 See table on cumulation in the EU Economic Partnership Agreements with ACP countries
Central America	Association Agreement - Annex II	OJ L346 of 15/12/2012, p. 1803	Art 3	No	Art 3 Bolivia, Colombia, Ecuador and Peru	No
Ceuta and Melilla	Council Regulation (EC) No 82/2001 of 5/12/2000	OJ L20 of 20/01/2001, p. 1	Art 3 and 4	Art 3 and 4 Cumulation systems provided for in reciprocal free trade agreements between the EU and third countries also apply to Ceuta and Melilla.		No
Chile	Interim Trade Agreement - Chapter 3, Annexes 3-A to 3-E	OJ L, 2024/2953 of 20.12.2024, p. 12	Art 3.3(1) and (2)	Art 3.3(3) and (4) Upon decision of the Trade Committee; cumulation systems provided for arrangements with Central American countries and Andean countries.		No
Côte d'Ivoire	Stepping stone Economic Partnership Agreement – Decision 2/2019 of the EPA Committee - Protocol 1	OJ L49 of 21/02/2020, p.1	Art 7	Art 7 and 8 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Art 7 and 8 See table on cumulation in the EU Economic Partnership Agreements with ACP countries

Preferential arrangements	Legal basis	OJ	Cumulation			
			Legal basis			
			Bilateral cumulation	Diagonal cumulation for EU exports	Diagonal cumulation for EU imports	Full cumulation
ESA	Interim Agreement establishing a framework for an Economic Partnership Agreement – Amended Protocol 1	OJ L93 of 27/03/2020, p.1	Art 3 and 4	Art 3, 4 and 5 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Art 3 and 4 See table on cumulation in the EU Economic Partnership Agreements with ACP countries
Generalised Scheme of Preferences (GSP)	Commission Delegated Regulation (EU) 2015/2446 of 28/07/2015 (UCC - DA) - Commission Implementing Regulation (EU) 2015/2447 of 24/11/2015 (UCC-IA)	OJ L343 of 29/12/2015, p. 1 (UCC-DA) p. 558 (UCC-IA)	Art 53 UCC-DA	Art 54 UCC-DA Norway, Switzerland, Türkiye	Art 55 UCC-DA Regional cumulation between certain country groups, currently applicable for: Group I: Cambodia, Indonesia, Laos, Myanmar/Burma, Philippines and Vietnam; Group III: Bangladesh, Bhutan, India, Nepal, Pakistan and Sri Lanka.	No

Preferential arrangements	Legal basis	OJ	Cumulation			
			Legal basis			
			Bilateral cumulation	Diagonal cumulation for EU exports	Diagonal cumulation for EU imports	Full cumulation
Ghana	Stepping stone Economic Partnership Agreement – Decision 1/2020 of the EPA Committee - Protocol 1	OJ L350 of 21/10/2020, p.1	Art 7	Art 7 and 8 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Art 7 and 8 See table on cumulation in the EU Economic Partnership Agreements with ACP countries
Israel	Euro-Mediterranean Association Agreement - Protocol 4	OJ L20 of 24/01/2006, p. 1	Art 21	Art 3 and 4 PEM matrix https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en		No
Japan	Economic Partnership Agreement - Annex 3A	OJ L330 of 27/12/2018, p. 23	Chapter 3 - Art 3.5	No		Chapter 3 - Art 3.5 EU
Korea	Free Trade Agreement - Protocol	OJ L127 of 14/05/2011, p. 1344	Art 3	No		No
Lebanon	Euro-Mediterranean Association Agreement - Protocol 4	OJ L143 of 30/05/2006, p. 73	Art 3	Art 4 PEM matrix https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en		No

Preferential arrangements	Legal basis	OJ	Cumulation			
			Legal basis			
			Bilateral cumulation	Diagonal cumulation for EU exports	Diagonal cumulation for EU imports	Full cumulation
Market Access Regulation decision **Kenya and Cameroon (for imports from Cameroon in the EU)**	Regulation (EU) 2016/1076 of the European Parliament and of the Council of 8/6/2016 - Annex II	OJ L185 of 08/07/2016, p. 16	Art 6	Art 6 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	No
Mexico	Decision No 2/2000 of the EC-Mexico Joint Council - Annex III	OJ L245 of 29/09/2000, p. 954	Art 3	No		No
Morocco	Euro-Mediterranean Association Agreement - Protocol 4	OJ L336 of 21/12/2005, p. 1 (amended in OJ L248 of 22/09/2010 and OJ L17 of 26/01/2016)	Art 3 and 4	Art 3 and 4 PEM matrix https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en		No
New Zealand	Free trade agreement – Chapter 3	OJ L, 2024/866, 25.3.2024	Art 3.3(1)	No		Art 3.3(2)
Overseas Countries and Territories (OCTs)	Council Decision EU/2021/1764 of 5/10/2021 - Annex II	OJ L355 of 7/10/2021, p. 50	Art 7	Art 8 and 9 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Extended cumulation: Art 10 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Art 8 and 9 See table on cumulation in the EU Economic Partnership Agreements with ACP countries

Preferential arrangements	Legal basis	OJ	Cumulation			
			Legal basis			
			Bilateral cumulation	Diagonal cumulation for EU exports	Diagonal cumulation for EU imports	Full cumulation
Pacific States	Interim Partnership Agreement - Protocol II	OJ L272 of 16/10/2009, p.569	Art 3 and 4	Art 3, 4 and 4bis https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Art 3 and 4 See table on cumulation in the EU Economic Partnership Agreements with ACP countries
PEM Convention	Regional Convention on pan-Euro-Mediterranean preferential rules of origin - Appendix I	OJ L54 of 26/02/2013, p.8	Art 3	Art 3 PEM matrix https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en		Appendix II - Annexes II, III, IV, IX, X and XI Between EEA countries (EU, Iceland, Liechtenstein and Norway) Between the EU and Algeria, Morocco and Tunisia
PEM Transitional rules	Appendix A to revised agreements between the EU and some PEM contracting parties (see list below in footnote)	See footnote below under "PEM Transitional rules"	Art 7	Art 7 PEM matrix https://taxation-customs.ec.europa.eu/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en		Art. 7 (3) – except chap. 50-63 Art. 7 (4) EU
Revised PEM Convention	PEM JC Decision No 1/2023 of 07/12/2023 - Appendix I	OJ L 2024/390 of 19/02/2024, p. 1	Art 7	Art 7 PEM matrix https://taxation-customs.ec.europa.eu/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en		Art. 7 (3) – except chap. 50-63 Art. 7 (4) EU

Preferential arrangements	Legal basis	OJ	Cumulation			
			Legal basis			
			Bilateral cumulation	Diagonal cumulation for EU exports	Diagonal cumulation for EU imports	Full cumulation
SADC	Economic Partnership Agreement - Protocol I	OJ L250 of 16/09/2016, p. 1924	Art 3	Art 4, 5 and 6 https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/countries-africa-caribbean-and-pacific-acp_en	Art 3 and 4 See table on cumulation in the EU Economic Partnership Agreements with ACP countries
Singapore	Free Trade Agreement – Protocol 1	OJ L294 of 14/11/2019, p. 659	Art 3	Art 3 Does not apply		Art 3 Does not apply
Syria	Cooperation Agreement - Protocol 2	OJ L269 of 27/09/1978, p.22	Art 1	No		No
Türkiye (ECSC products)	Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee -Protocol 1	OJ L 143 of 06/06/2009, p.3	Art 3 and 4	Art 3 and 4		No
Türkiye (agricultural products)	Decision No 3/2006 of the EC-Turkey Association Council, of 19 December 2006, amending Protocol 3 to Decision No1/98 of the EC-Turkey Association Council of 25 February 1998 on the trade regime for agricultural products - Protocol 3		Art 3 and 4	Art 3 and 4 PEM matrix https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en		No

Preferential arrangements	Legal basis	OJ	Cumulation			
			Legal basis			
			Bilateral cumulation	Diagonal cumulation for EU exports	Diagonal cumulation for EU imports	Full cumulation
United Kingdom (including Channel Islands and the Isle of Man) **(Excluded : Gibraltar and the UK OCTs)**	Trade and Cooperation Agreement	OJ L149 of 30/04/2021, p.10	Chapter 2, Section 1 – Art 40(1)	No		Chapter 2, Section 1 – Art 40(2)
Vietnam	Free Trade Agreement – Protocol 1	OJ L 186 of 12/6/2020, p. 1319	Art 3	Art 3(7) Korea (for fabrics originating in Korea)	No	No

Andean Countries: Colombia, Ecuador and Peru
CARIFORUM: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, Trinidad and Tobago
Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama
ESA: Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe
Market Access Regulation: Cameroon (importations from Cameroon to the EU) and Kenya
Overseas Countries and Territories: Greenland, New Caledonia and dependences, French Polynesia, French Southern and Antarctic Territories, Wallis and Futuna Islands, Saint Pierre and Miquelon, Saint-Barthelemy, Aruba and Netherlands Antilles
PEM Convention: Albania, Bosnia and Herzegovina, Egypt, Faroe Islands, Georgia, Iceland, Jordan, Kosovo*, Liechtenstein, Montenegro, North Macedonia, Norway, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Republic of Moldova, Serbia, Switzerland, Türkiye and Ukraine.
PEM Transitional rules and Revised PEM Convention – applying contracting parties : see https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en
SADC: Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland
Pacific States: Fiji, Papua New Guinea, Samoa and Solomon Islands
* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

B.8. Documents on origin and importer's knowledge

This section contains an explanation of the documents on origin and of importer's knowledge.

1) Introduction

All preferential arrangements contain particular provisions on how to prove and certify that a product qualifies for preferential treatment. A claim for preferential tariff treatment is required to be supported by a document on origin, which must be presented to the customs authority of the importing country upon request, or by importer's knowledge.

Economic operators shall check how they shall substantiate their claims to preferential treatment in their specific situation. An overview about the possible documents on origin and importer's knowledge in the different preferential arrangements is provided in Annex 4.

Preferential treatment may be claimed based on the following:

- documents on origin:
    - government certificates that are issued by the competent authority of the concerned exporting country;
    - documents that are made out by the exporters by self-certification (for a single consignment or covering multiple consignments of identical products);
- importer's knowledge.

The validity period of the documents on origin is limited and is set out in each preferential arrangement.

In some cases documents on origin can be issued retrospectively. In cases of loss, theft or destruction the exporter can apply for a duplicate of the government certificate. In all cases exporters must fulfil the record keeping requirements in the preferential arrangement and comply with national regulations.

There are exemptions from the requirement for a document on origin, usually for small packages sent between private persons or for goods in travellers' personal luggage, always up to a specified maximum value.

All preferential arrangements contain provisions on administrative cooperation. These allow the competent authorities of partner countries to verify the documents on origin.

For the EU's customs unions (Andorra, San Marino and Türkiye), the preferential treatment of goods is not based on their originating status but on the fact that the goods comply with the provisions on free circulation. For further details see Chapter B.11 Customs Union Documents.

2) General overview

a) Types of documents on origin

i. Government certificates

Government certificates comprise movement certificates EUR.1 and EUR-MED. They are filled in by the exporter on pre-printed forms and endorsed and signed by the competent authorities of the exporting country.

(1) Movement certificates EUR.1

Legal references – examples

- Articles 15 and 16 of Appendix I of the PEM Convention (Specimen of EUR.1: Annex IIIa of Appendix I to the PEM Convention)
- Articles 17 and 20 of Appendix I of the Revised PEM Convention (Specimen of EUR. 1 Annex IV of Appendix I to the Revised PEM Convention)
- Articles 15 and 16 of Annex II of the EU-Central America Association Agreement (Specimen of EUR.1 in Appendix 3 to Annex II)

Explanatory notes:

- **Pan-Euro-Mediterranean zone**: Explanatory Notes concerning the Pan-Euro-Mediterranean protocols on rules of origin (OJ 2007/C 83/01 and OJ 2007/C 231/04)
- **Chile:** Annex 3-E to the EU-Chile ITA (OJ L, 2024/2953, 20.12.2024, p. 576)
- **Mexico:** Explanatory notes concerning Annex III of the EC-Mexico Agreement – Decision 2/2000 of the EC-Mexico Joint Council (OJ 2001/C 128/10 and OJ 2004/ C 40/02)
- **Central America:** Explanatory Notes to Article 15, 16, 19, 20 and 30 of Annex II (Concerning Definition of the Concept of ´Originating Products´ and Methods of Administrative Cooperation) of the Agreement regarding the Movement Certificate EUR.1, invoice declaration, Approved Exporters and verification of proofs of origin (OJ L25 of 26.01.2021)

A movement certificate EUR.1 is a government certificate that can be used in preferential trade between the EU and certain partner countries with which the EU has signed a Free Trade Agreement.

In addition, there is also the possibility to apply for a movement certificate EUR.1 for imports into the European Union from:

- Cameroon and Kenya based on the Market Access Regulation (EU) No 2016/1076;
- within the framework of the rules of origin unilaterally adopted by the Union for certain countries or territories according to Article 113 et seq. UCC-IA (autonomous trade measures).

Note that under the PEM Convention in certain cases the movement certificate EUR-MED must be used.

(2) Movement certificates EUR-MED

Legal reference

- Articles 15 and 16(4) and (5) of Appendix I of the PEM Convention (Specimen of EUR-MED: Annex IIIb of Appendix I of the PEM Convention - OJ L 54, 26.2.2013), or
- Agreements of the pan-Euro-Mediterranean zone that do not have the link to the PEM Convention, but have the respective Article in the Free Trade Agreement (e.g. Article 16 of Protocol No. 4 of the EU-Morocco Agreement).

It is important to distinguish between when movement certificates EUR.1 and when movement certificates EUR-MED shall be used. The use depends on whether:

- Mediterranean countries, excluding Turkey, are involved;
- diagonal cumulation is applied;
- full cumulation is applied;
- duty drawback is granted.

The movement certificate EUR-MED is solely used in the pan-Euro-Mediterranean zone.

Goods that acquired their originating status by applying cumulation shall be marked in the EUR-MED certificate accordingly. This is in order to identify all the countries involved in the cumulation within the production process, and to determine whether the importing country may grant preferential treatment on the basis of cumulation. Therefore, the EUR-MED certificate must contain either the statement "CUMULATION APPLIED WITH… (name of the country/countries)" or "NO CUMULATION APPLIED".

For further details, see the PanEuroMed Handbook (https://taxation-customs.ec.europa.eu/document/download/4d27b1c7-511d-480f-be4e-ba3a67265d39_en?filename=handbook_en.pdf).

(3) Issuance of movement certificates

The exporter or his authorised representative must fill in both the movement certificate and the application form on the second sheet of the movement certificate. The customs authorities of the exporting country will retain that part when they stamp the movement certificate.

If the exporter is using an authorised representative, this representation shall be apparent from the movement certificate or at least from the application form.

The original and the application of the movement certificate must be signed in writing. If the application is filled-in by hand, it must be completed in ink. The reverse side of the movement certificate is for official purposes only and is not to be completed by the exporter.

The exporter applying for the issue of a movement certificate has to be prepared to submit at any time at the request of the issuing customs authorities all appropriate documents proving the originating status of the products concerned as well as the fulfilment of other requirements of the preferential agreement. For preferential purposes, any natural or legal person who is able to prove the originating status of the goods can be the exporter.

The application form must be supported[14] by all the documents that are necessary to prove the origin of the goods (e.g. supplier´s declarations, calculations, lists of parts used, purchase invoices, sales invoices, import documentation).

Particularity of the pan-Euro-Mediterranean zone

In case the goods acquired their originating status under the PEM Transitional rules exporters have to include the statement in English "TRANSITIONAL RULES" in box 7 of the movement certificate EUR.1. For more information, please consult the general guidance on PEM and the "Guidance: Transitional PEM Rules of Origin" at the link below:

https://ec.europa.eu/taxation_customs/document/download/f8214b8d-2179-4600-8692-a1aeb3ff9ab0_en?filename=PEM%20transitional%20RoO%20-%20Guidance%20V1_25.08.2021.pdf

In case the goods acquired their originating status under the Revised PEM Convention in a country or territory applying both sets of rules (the PEM Convention and the Revised PEM Convention) exporters have to include the statement in English "REVISED RULES" in box 7 of the movement certificate EUR.1. For more information, please consult the guidance on the transitional provisions concerning the transition towards the Revised PEM Convention:

https://taxation-customs.ec.europa.eu/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

The competent authorities will ensure that the forms are duly completed. In particular, they will check whether the description of the products has been completed in such a manner as to exclude the possibility of fraudulent additions. Erasures not certified or words written over are not allowed. Any other modifications to the form are only permitted if confirmed by the competent authority by an official stamp.

[14] In certain Member States the supporting documents must be attached to the application form, while in others those need to be provided only upon request.

The competent authorities issuing movement certificates must take any steps necessary to verify the originating status of the products and the fulfilment of other requirements of the respective preferential arrangement. They therefore have the right to call for evidence and to carry out inspections of the exporter's accounts and premises or any other check considered appropriate for this purpose.

A movement certificate will be issued by the competent authorities and made available to the exporter as soon as actual exportation has been effected or ensured, i.e. when the corresponding export declaration has been lodged.

In principle, only one document on origin shall be issued for each consignment of goods.

Particularity of the pan-Euro-Mediterranean zone

More than one document on origin may be issued for each consignment if it consists of:

a. goods from different countries or territories of origin, and
b. goods some of which acquired originating status with cumulation and others without, or
c. cumulation with different countries is applied.

Retrospective issuance of movement certificates

Legal references – examples

- Article 17 of Appendix I of PEM Convention
- Article 21 of Appendix I of Revised PEM Convention
- Article 16 of Annex II of the EU – Central America Association Agreement
- Article 21 of Protocol No 1 of the EU-SADC EPA

In principle government certificates (movement certificates EUR.1 or EUR-MED) shall be issued by the customs authorities and made available to the exporter as soon as the actual exportation has been effected or ensured. Nonetheless, it is also possible to issue a movement certificate EUR.1 or EUR-MED retrospectively after the physical exportation of the products to which it relates where:

- it was not issued at the time of exportation because of errors or involuntary omissions or special circumstances; or
- it is demonstrated to the satisfaction of the customs authorities that a movement certificate EUR.1 or EUR-MED was issued but was not accepted at importation for technical reasons.

In certain preferential arrangements, e.g. the Revised PEM Convention, a valid reason to issue a retrospective movement certificate EUR.1 can also cover for instance:

- the splitting of consignments of originating goods transiting a third country;
- the final destination of the originating goods is not known at the time of export.

For the retrospective issuance, the exporter shall indicate in his application or on an extra sheet linked to it, the place and date of exportation of the products to which the movement certificate EUR.1 or EUR-MED relates, along with the export declaration reference number if it was assigned, and state the reason for this request.

If a movement certificate EUR.1 or EUR-MED was already issued for a product that was not accepted at importation for technical reasons, the applicant shall submit the original movement certificate EUR.1 or EUR-MED to the customs authority of issuance. If the original certificate cannot be submitted then its copy should be provided instead with an indication of the reason why the original cannot be submitted (e. g. the customs office of importation withheld it).

In box 7, the retrospectively issued movement certificate EUR.1 or EUR-MED shall be endorsed as indicated in the relevant applicable preferential arrangement. Generally, it shall be endorsed with the following words: "ISSUED RETROSPECTIVELY". Some preferential arrangements, e.g. the Revised PEM Convention, require the wording only in English. If the original movement certificate was rejected for technical reasons at importation the phrase "ISSUED RETROSPECTIVELY (Original EUR.1 No … [date and place of issue])" shall be endorsed.

In some preferential arrangements, the time period for the issuance of a retrospective movement certificate EUR.1 is limited. For instance, in the Revised PEM Convention the movement certificate EUR.1 must be issued within 2 years of the export of the originating products.

Particularity: retrospective issuance of a movement certificate EUR-MED on the basis of a movement certificate EUR.1

After the exportation of a product with a movement certificate EUR.1 to a Contracting Party to the PEM Convention, in some cases it could be necessary to replace the initially issued movement certificate EUR.1 with a movement certificate EUR-MED, where it is intended to re-export the product to another country of that zone.

In such cases the applicant has to prove that also the substantive conditions for the issuance of a movement certificate EUR-MED are fulfilled and make a cumulation statement in Box 7.

Further information is available at:

i) A User's Handbook to the Rules of Preferential Origin used in the trade between the European Community, other European Countries and the countries participating to the Euro-Mediterranean Partnership:

https://ec.europa.eu/taxation_customs/system/files/2016-09/handbook_en_0.pdf

ii) Explanatory Notes concerning the Pan-Euro-Mediterranean Protocols on rules of origin:

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52007XC0417(01)

Duplicate certificates

Legal references – examples

- Article 18 of Appendix I of the PEM Convention
- Article 22 of the Protocol 1 to the EU-SADC EPA
- Article 18 of EU-Vietnam FTA (only for exports from Vietnam to the EU)

In the event of theft, loss or destruction of a government certificate, the exporter may apply to the competent authority which issued the initial certificate for a duplicate. In practice this means that no new origin examination, but only a matching between the original application held by the competent authority and the new application made by the exporter will be carried out.

In the application, the exporter must indicate the place and date of the exportation of the products to which the initial government certificate relates and the reasons for the request.

Only the competent authority that issued the initial certificate may issue the duplicate certificate. The duplicate shall bear the date of issue of the initial certificate, and shall take effect as from that date. Box 7 of the duplicate certificate shall be endorsed with the wording set out in the applicable preferential arrangement, usually the word "DUPLICATE".

ii. Self-certification documents on origin

Unlike government certificates, self-certification is a declaration by the exporter on the originating status of a product made out on a commercial document. Depending on the relevant preferential arrangement, one of the following types of self-certification documents on origin will be used, and the EU exporter may be required to be authorised (Approved Exporter) or registered (in the EU Registered Exporter (REX) system) for consignments of originating products over a certain value threshold:

– statements on origin;
– origin declarations or invoice declarations.

An overview about the possible self-certification documents on origin in the different preferential arrangements is provided in Annex 4.

(1) Statement on origin

A statement on origin can be used as a document on origin in the framework of certain bilateral Free Trade Agreements (e.g. EU-UK TCA), within the EU GSP rules on origin, and in trade with the OCTs.

To be entitled to make out statements on origin for consignments of originating products having a total value (based on the ex-works price) exceeding EUR 6 000 (EUR 10 000 for the OCTs), an economic operator needs to have a valid registration in the REX system (for further details

and applicability of the REX registration see Guidance "Registered Exporter System"[15]). The REX number can be used for all preferential arrangements under which the REX system applies.

However, unregistered exporters (without a REX number) may make out statements on origin for consignments of originating products having a total value (based on the ex-works price) which does not exceed EUR 6 000 and in the case of trade with the OCTs EUR 10 000.

Preferential agreements

Legal reference - examples

- Article 3.16 of the EU-Japan EPA (text of statement on origin: Annex 3-D of EU-Japan EPA)
- Article 54 of the EU-UK TCA (text of statement on origin: Annex 7 of EU-UK TCA)
- Article 15(1)(c) of the EU-Vietnam FTA origin protocol (only for exports from the EU)

Regarding Japan and the UK, respectively, there is no limitation with respect to the point in time of making out a statement on origin. However, for imports under preference in Japan the importer must hold the statement on origin at the time of import.

Guidance documents

Japan:

https://ec.europa.eu/taxation_customs/system/files/2019-12/eu-japan-epa-guidance-statements-on-origin.pdf

https://ec.europa.eu/taxation_customs/system/files/2020-01/eu_japan_epa_guidance_statement_on_origin_for_multiple_shipments_of_identical_products_en.pdf

United Kingdom:

https://ec.europa.eu/taxation_customs/customs-4/international-affairs/third-countries/united-kingdom_en

Vietnam (for the export from the EU to Vietnam)**:**

https://taxation-customs.ec.europa.eu/system/files/2022-11/EVFTA-guidance_0.pdf

[15] https://taxation-customs.ec.europa.eu/system/files/2022-05/Registered%20Exporter%20System%20%28REX%29%20-%20Guidance%20document.doc.pdf

Generalised Scheme of Preferences (GSP)

Legal reference

- Article 92 UCC-IA (in case of cumulation with GSP countries in conjunction with Article 93 UCC-IA) (text of statement on origin: Annex 22-07 of UCC-IA)

Since 1 January 2018, EU exporters of products to a GSP beneficiary country for cumulation purposes may only make out statements on origin.

Since 1 January 2021 all exporters from GSP beneficiary countries wanting to export under the EU GSP rules are required to make out statements on origin as the only document on origin.

For information about the REX-system see the European Commission's guidance REX - Registered Exporter system "Application of the REX system in the GSP scheme of the EU":

https://ec.europa.eu/taxation_customs/online-services/online-services-and-databases-customs/rex-registered-exporter-system_en

Overseas Countries and Territories (OCT)

Legal reference

- Article 28 of the Annex of the EU Council Decision 2021/1764 of 5 October 2021 (text of statement on origin: Appendix IV), Article 26 of Council Decision (EU) 2019/2196 of 19 December 2019 for OCTs

Since 1 January 2020 OCT exporters of products to the EU under preference may only make out statements on origin. Equally, EU exporters need to make out statements on origin for products exported to OCTs under bilateral cumulation as well as in certain cases where OCTs may reciprocate and provide preference for EU products (see Annex 4).

(2) Invoice or origin declaration (including EUR-MED)

An invoice or origin declaration is a declaration made out by the exporter on the originating status of products on a commercial document, as set out in the respective Free Trade Agreements (see Annex 4).

To make out an invoice or origin declaration, an economic operator needs either an authorisation by the customs administration as Approved Exporter or registration in the REX system, depending on the preferential arrangement (see Annex 4).

However, exporters not authorised as approved exporters nor registered in the REX system may make out invoice or origin declarations only for consignments of originating products whose total value (based on the ex-works price) does not exceed EUR 6 000.

Approved Exporter authorisation

Legal reference – examples

- Article 15 of Appendix I of the PEM Convention (text of the origin declaration: Annex IVa and IVb of Appendix I of the PEM Convention)
- Article 17 of Appendix I of the Revised PEM Convention (text of the origin declaration: Annex III of Appendix I of the Revised PEM Convention)
- If a Contracting Party to the PEM Convention does not yet apply the PEM Convention, , the concerned Article of the Free Trade Agreement applies, e.g. Article 22 of Protocol No. 4 between the EU and Morocco
- Article 15 of the origin protocol of the EU-Korea FTA (text of the origin declaration: Annex III of the Origin protocol)

Unlike other FTAs, under the EU - Korea FTA it is not possible to use government certificates, the only applicable document on origin is the origin declaration. If the total value of the consignment of originating products (based on the ex-works price) exceeds EUR 6 000, the origin declaration has to be made out by Approved Exporters.

For detailed information on Approved Exporters see:

https://ec.europa.eu/taxation_customs/system/files/2019-02/guidance-on-approved-exporters.pdf

In trade with the Contracting Parties to the PEM Convention, under the same circumstances in which the movement certificate EUR-MED or EUR.1 is used, the invoice or origin declaration EUR-MED may be required instead of the invoice or origin declaration until the end of 2025.

For further details, see the PanEuroMed Handbook (https://taxation-customs.ec.europa.eu/document/download/4d27b1c7-511d-480f-be4e-ba3a67265d39_en?filename=handbook_en.pdf):

Registered Exporter

Legal reference - examples

- Articles 18 and 19 of the EU-Canada CETA origin protocol - (text of the origin declaration: Annex 2 of the EU-Canada CETA origin protocol)
- Articles 17 and 21 of Protocol No 1 of the EU-Ghana EPA - (text of the origin declaration for the export to Ghana: Annex IV to Protocol No 1)
- Article 23 of Protocol 1 of the Interim EPA between the EU and ESA states as amended by Decision No 1/2020 of the EPA Committee of 14 January 2020

Certain preferential arrangements, e.g. EU-Ghana EPA, specify the use of REX for making out invoice or origin declarations. However, where the preferential arrangement, e.g. the EU-

Canada CETA, does not contain any such specifications, EU exporters intending to make out invoice or origin declarations shall according to Article 68(1) UCC-IA use REX. For more information about the REX System, see:

https://ec.europa.eu/taxation_customs/online-services/online-services-and-databases-customs/rex-registered-exporter-system_en

(3) Making out of documents on origin by self-certification

The self-certification document on origin shall be provided by the exporter to its customer and shall contain the wording set out in the respective preferential arrangement and the particulars specified in the concerned preferential arrangement, including where necessary the registration number in case of registered exporters or the authorisation number in case of approved exporters for the EU exporters, or the respective number required by exporting country for their exporters (e.g. the UK exporters use their EORI numbers).

The self-certification documents on origin can be made out by typing, printing, handwriting or stamping the text on the invoice or any other commercial document, like e.g. an accompanying delivery note, a pro-forma invoice or a packing list, or their photocopies. The commercial document should show the name and full address of the exporter and of the consignee or customer, respectively, as well as a detailed description of the products, to enable their identification. It should also show the date of making out the self-certification document on origin if it is different to the date of the invoice or the commercial document.

If the commercial document contains several pages, each page should be numbered with the total number of pages mentioned.

The self-certification document on origin on a label that is permanently affixed to a commercial document is permitted if there is no doubt that the label has been affixed by the approved exporter of by the registered exporter.

Where a self-certification document on origin is made out by the exporter on a separate piece of paper, with or without his letterhead, that separate sheet and the respective commercial document have at least to be referenced from the commercial document to the separate sheet of paper or vice versa.

Where the Approved Exporter has given the competent customs authority a written undertaking accepting full responsibility for any declaration which identifies him, no signature nor his name in clear script is required. This exemption of the signature also implies the exemption of the name of the signatory. In other cases, the declarations must bear the original hand written signature of the exporter as well as his name in clear script.

Statements on origin do not have to be signed in writing. If the REX number is indicated in the invoice or origin declaration no signature is required. Under the EU-Canada CETA (Article 19(3) EU-Canada CETA in conjunction with Article 68(7) UCC-IA), an origin declaration does

not have to be signed neither by a registered exporter nor by a non-registered exporter for consignments which do not exceed EUR 6 000.

The self-certification document on origin has to specify the country or territory of origin. For products originating in the EU, "European Union" or the code "EU" shall be entered. The exclusive indication of a particular Member State is not acceptable. If the country of origin is abbreviated for products originating outside the EU, the country codes defined in Commission Implementing Regulation (EU) 2020/1470 shall be applied.

The invoice, the delivery note or other commercial documents which contain the self-certification document on origin may cover both originating and non-originating products. The text of the self-certification document on origin allows this by mentioning "except where otherwise clearly indicated". In that case, non-originating products must be clearly identified. Examples of such identification include:

- Indicating whether the goods are originating or not in brackets behind every item of goods on the commercial document.
- Two headings on the invoice, namely originating goods and non–originating goods with the type of goods under the corresponding heading.
- Attributing a number to each item of the goods and indicating which of the numbers relate to originating goods and which to non–originating ones.

Even if the value of the whole consignment exceeds the threshold of EUR 6 000 (or EUR 10 000), that threshold applies in such cases only to the originating products.

The self-certification document on origin may be made out at the time of exportation or when the exportation is ensured. Retrospective making out is possible. (See below after "Particularities".)

Particularities

Languages

Language-wise, within the GSP the statement on origin shall be made out in English, French or Spanish, and within the OCTs only English or French may be used.

In the framework of other preferential arrangements, for the self-certification documents the languages of the concerned partner countries can be used as well as all official EU languages.

Indication of different countries of origin in one self-certification document

If the goods listed in the invoice or another commercial document have their preferential origin in different countries or territories (which can happen e.g. in a case of regional or diagonal cumulation in the context of the GSP or in the pan-Euro-Mediterranean zone), the names or the country codes of the countries or territories should be indicated. This can be done in the same way as described above as long as the country or territory of origin is clearly identified.

EU-Japan EPA

The origin criteria used shall be indicated as a part of the statement on origin when required by the preferential arrangement. If the origin criterion is not the same for all goods on the commercial document, this should also be clearly indicated. One possibility is to indicate the origin criterion used next to each good on the commercial document and to make a reference to this on the statement on origin, e.g. "as indicated next to each item of the commercial document".

https://ec.europa.eu/taxation_customs/system/files/2019-12/eu-japan-epa-guidance-statements-on-origin.pdf

EU-UK TCA

Under the EU-UK TCA, any document that describes the originating product in sufficient detail to enable the identification of that product can be used, i.e. not only a commercial document.

EU-Vietnam FTA

Under Protocol No 1 of the EU-Vietnam FTA the threshold of EUR 6 000 up to which exporters do not need to be Registered/Approved Exporters for the making out of documents on origin by self-certification applies to the total value of the consignment (originating and non-originating products). For further details see the Guidance on the EU-Vietnam FTA:

https://taxation-customs.ec.europa.eu/system/files/2022-11/EVFTA-guidance_0.pdf

Making out invoice or origin declarations EUR-MED in the pan-Euro-Mediterranean zone

In general, for the making out of invoice declaration EUR-MED or origin declarations EUR-MED the same principles apply for the making out of invoice declarations or origin declarations (Approved Exporter). In addition, an invoice declaration EUR-MED or an origin declaration EUR-MED shall contain one of the statements in English: 'Cumulation applied with …. (name of the country/countries)' or 'No cumulation applied'.

Retrospective making out of documents on origin by self-certification

Legal references – examples

- Article 19 of the EU-Canada CETA origin protocol
- Article 3.17 of the EU-Japan EPA
- Article 21 of Appendix I of the PEM Convention
- Article 92 UCC-IA in the framework of GSP

In general, self-certification documents on origin may be made out by the exporter when the related originating products are exported, or after their exportation.

However, according to many preferential arrangements a document on origin may only be made out after the exportation of the products on condition that it is presented in the importing country within two years after the importation of the products to which it relates, or later, if allowed for that possibility in the respective preferential arrangement, e. g. Article 19(4) EU-Canada CETA. For some other preferential arrangements such a limitation does not exist (e.g. the EU-Japan EPA or the EU-UK TCA) and documents on origin may be made out without limit after the exportation of the respective products.

However, the retrospective making out of a document on origin will only be useful where the claim for preferential tariff treatment can be made after the importation of the respective products in the partner country. For example, in the case of the EU-Japan EPA and the EU-Vietnam FTA, claims for preference must be made at the time of importation and any duties paid at import will not be refunded if the claim is made retrospectively, while in other cases, such as the EU-UK TCA, refunds of customs duties are allowed up to 3 years after importation of the originating products.

In the case of retrospective making out, the date at which the statement on origin is made out should be indicated, as the date of the shipment invoice is different. It is not possible to make out a statement on origin retrospectively by giving it a date before its actual date of making out.

Unlike for the retrospective issuance of movement certificates EUR.1 or EUR-MED, no special endorsement on the documents on origin made out by self-certification after exportation is necessary.

(4) Documents on origin for multiple shipments of identical products

Legal reference

- Article 3.17(5)(b) of EU-Japan EPA (text for statement on origin: Annex 3-D of EU-Japan EPA)
- Article 56(4)(b) of the EU-UK TCA (text for statement on origin: Annex 7 of EU-UK TCA)
- Article 19(5) of the EU-Canada CETA origin protocol (exports to Canada only) (text of the origin declaration: Annex 2 of the EU-Canada CETA origin protocol)

In most preferential arrangements a document on origin is valid for one single shipment of products.

Some free trade agreements allow for the possibility to make out documents on origin for multiple shipments of identical products as a facilitation for exporters sending identical products. Hence, within the given time period, only one document on origin is needed covering all products, instead of separate documents on origin for each individual consignment.

The wording of that document is the same as that of a single document on origin set out in the respective preferential agreement, with the addition of a defined period, e.g. in the EU-Japan EPA for a defined period of time not exceeding 12 months.

For the need to be registered in the REX system see above **(1) Statement on origin**. In general, the same principles apply for making out statements on origin or origin declarations for multiple shipments of identical products as for making out a statement on origin or origin declaration for a single shipment (see above **(3) Making out of documents on origin by self-certification**).

Japan:

Guidance: Statement on Origin for multiple shipments of identical products, including guidance on "identical products":

https://ec.europa.eu/taxation_customs/system/files/2020-01/eu_japan_epa_guidance_statement_on_origin_for_multiple_shipments_of_identical_products_en.pdf

United Kingdom:

Guidance on the EU-UK TCA Section II: origin procedures with explanations on the statement on origin for multiple shipments of identical products under point 4:

https://ec.europa.eu/taxation_customs/customs-4/international-affairs/third-countries/united-kingdom_en

For trade with Canada see "EU-Canada CETA Guidance":

https://ec.europa.eu/taxation_customs/system/files/2020-10/ceta_guidance_en.pdf

Particularity of the EU-Canada CETA:

In the framework of the EU-Canada CETA, only EU exporters may make out an origin declaration for multiple shipments of identical products according to Article 19 (5) EU-Canada CETA. The option is not available for Canadian exporters because there is currently no provision in the UCC-IA giving effect to this possibility.

Where the origin declaration is completed by a Canadian exporter with the dates mentioned in field 1 of Annex 2 to the EU-Canada CETA Origin Protocol, customs authorities in the EU will accept the origin declaration only for the first consignment.

b) Importer´s knowledge

Legal references

- Article 3.18 of the EU-Japan EPA
- Article 58 of the EU-UK TCA
- Article 3.20 of the EU-NZ FTA

Currently, in the context of the EU-Japan FTA and of the EU-UK TCA, the importer may choose to apply for tariff preference on the basis of the information he holds on the preferential

origin of the goods he imports by inserting the respective code in the customs declaration for release for free circulation under the data element *Documents produced, certificates and authorisations, additional references*, as an 'additional reference'.

Importer's knowledge presupposes that the exporter of the product provides such evidence to the importer in the form of supporting documents or records. This could involve business sensitive information from the exporter like price calculations, material lists and suppliers' information. The information at his disposal must be precise and tangible evidence that the product qualifies as originating, and possible to be presented in case of verification. The importer must have documents enabling the customs authority of the importing country to verify the origin of the goods, since the authorities of the exporting country will not be requested to carry out a check on the exporter and/or the manufacturer (no administrative cooperation). The importer must hold and keep the supporting documents or records proving the preferential origin of the products for a period fixed by the trade agreement. A statement on origin made out by the exporter may not be used as a supporting document for importer's knowledge.

Where EU importers choose importer's knowledge to claim the tariff preference, they should agree on the communication of information and documents establishing the preferential origin of the imported goods in the commercial contracts with their exporters.

In addition, where the importer makes use of a customs representative, he is advised to formalise the terms and conditions of the use of importer's knowledge to claim the tariff preference in the service contract or representation mandate.

If the importer does not have documents proving the origin of the product (e.g. the exporter invokes the confidentiality of the manufacturing process) or his information is imprecise, he should not claim tariff preference on the basis of the importer's knowledge.

The importer using "importer's knowledge" does not need to be registered in the REX database.

Japan:

https://ec.europa.eu/taxation_customs/system/files/2019-01/eu_japan_epa_guidance_importers_knowledge_en.pdf

United Kingdom:

Guidance on TCA Section II: origin procedures:

https://ec.europa.eu/taxation_customs/customs-4/international-affairs/third-countries/united-kingdom_en

c) Validity period

Legal reference – examples

- Article 23 (1) of Appendix I of the PEM Convention
- Article 20 (1) of the origin protocol of the EU-Canada CETA
- Article 3.17 (4) of the EU-Japan EPA
- Article 99 (2) UCC-IA (GSP: statements on origin)
- Article 56 (3) of the EU-UK TCA

Documents on origin have a limited life span according to each preferential arrangement. See the Annex 4 for the information on the different validity periods under the respective preferential arrangements.

The period starts running as from the day the document on origin is issued or made out in the exporting country. The document on origin must be valid at the time the claim for preference is made.

For replacement documents on origin the date of issuing/making out of the replacement document on origin is the date from which the validity period begins.

In the case of duplicate certificates the period of validity will take effect from the date of the initial certificate.

Documents on origin for multiple shipments of identical products are valid within the period indicated therein. All importations of the product must occur within the period indicated (see B8 3(i)2(d)).

Documents on origin which are submitted to the customs authorities of the importing country after the final date for presentation specified above, may be accepted (except for EU-Canada CETA, EU-UK TCA and EU-Japan EPA) for the purpose of applying preferential treatment where:

- the failure to submit these documents by the final date set is due to exceptional circumstances according to the specific preferential arrangement.

  Exceptional circumstances in this context means circumstances which are outside the control of the importer or his representative, which occur rarely and which do not compromise the ability of the importing customs authorities to verify the origin of the goods (e.g. natural catastrophes),

  or

- the products have been submitted to the customs authority of the importing country before the expiry of the document and the date of issuance/making out the document on origin was not more than 2 years ago.

A document on origin can be considered as being 'submitted' only if it is presented to the customs authorities according to the Union provisions in force, in relation with a declaration for release for free circulation of the goods concerned, on the basis of which a preference is or may be claimed provided that the importer has presented the goods to customs and has indicated that the goods are goods of preferential origin.

For more information on the validity period for goods placed under special procedures see guidance at the following link:

https://taxation-customs.ec.europa.eu/system/files/2016-09/2267-final_en.pdf

d) Preservation of documents on origin and supporting documents

Legal references – examples

- Article 28 of Appendix I of PEM Convention
- Article 26 of the EU-Canada CETA origin protocol
- Article 3.19 of the EU-Japan EPA
- Article 91 UCC-IA in the framework of GSP

The exporter, irrespective of whether he is a producer or trader, making out a document on origin or applying for a government certificate must have in his possession all the necessary documents, e.g. supplier's declarations, or calculations showing the goods are originating, which allows him to prove the origin of the goods and to reply to a request for verification.

The exporter / re-consignor should be aware that in most EU preferential arrangements, the period of record keeping for documents on origin and supporting documents is at least three years from the date of issue/making out of the document on origin. However, certain arrangements provide for a different period, e.g. five years in the EU-Korea FTA. Where national provisions provide for a longer period, that period will apply.

The time period for the record keeping requirements for a retrospective movement certificate EUR.1 or EUR-MED starts from the moment this certificate is issued, even if a previous movement certificate EUR.1 or EUR-MED has been issued previously (e.g. it was rejected at import for technical reasons). However, for duplicate movement certificates EUR.1 or EUR-MED which are issued because of for instance the theft, loss or destruction of the original certificate, the time period for record keeping requirements remains as starting from the date of the issue of the original certificate.

The importer shall keep all records related to the importation in accordance with laws and regulations of the importing Party. This includes the documents on origin.

The customs authorities of the exporting country issuing a movement certificate EUR.1 or EUR-MED shall keep the application form for at least three years.

Particularity of documents on origin for multiple shipments of identical products

In respect of the record keeping requirements, the time limits for keeping the document on origin for multiple shipments of identical products shall start from the end date of the validity period mentioned on the document on origin.

e) Exemptions from a document on origin

Legal reference - examples:

- Article 26 of Appendix I of the PEM Convention
- Article 24 of the Protocol 1 to the EU-SADC EPA
- Article 24 of the EU-Canada CETA origin protocol in conjunction with Articles 68(6) and 103 UCC-IA
- Article 3.20 of the EU-Japan EPA
- Article 60 of the EU-UK TCA

Every preferential arrangement defines exemptions from the requirement to present a document on origin provided that the goods are not imported by way of trade, and the respective value thresholds. Small packages sent from one private person to another up to a specified maximum value are permitted to benefit from preferential treatment without the submission of a document on origin. Traveller´s personal luggage also benefits from a similar concession up to a specified maximum value.

Where a preferential arrangement allows the Union to exempt originating products from the requirement to provide a document on origin, but does not lay down the respective conditions, e.g. the EU-Canada CETA, the conditions set out in Article 103 UCC-IA apply in conjunction with Article 68(6) UCC-IA.

Small packages sent between private persons

Goods sent in small packages can be considered as eligible for preferential treatment without submission of a document on origin, if:

- the total value of the consignment does not exceed the value limit of the concerned preferential arrangement, usually EUR 500.
- the consignment was sent from a private person to a private person.
- the imports are not imports by the way of trade. This is the case if the imports are occasional and consist solely of products for the personal use of the recipients or their families and if it is evident from the nature and quantity of the products that they are not sent for a commercial purpose.
- it is declared, that products imported are eligible for preferential treatment and there is no doubt as to the veracity of such a declaration. This declaration shall be made on the customs

declaration CN22/CN23 or on a sheet of paper annexed to that document by a corresponding indication of the country of origin.

Goods forming part of travellers' personal luggage

In passenger traffic, goods shall be admitted as originating products without requiring the submission of a document on origin, provided that:

- the products are part of a traveller's personal luggage and their total value (price paid) does not exceed the value limit of the concerned preferential arrangement, usually EUR 1 200.
- the imports are occasional and consist solely of products for the personal use of the travellers, their families or are intended to be a present and it is evident from the nature and quantity of the products that they are not considered for commercial purposes.
- the traveller declares orally that the products are eligible for preferential treatment and there is no doubt as to the veracity of such a declaration.

At the following link the value limits expressed in EURO and the corresponding amounts in national currencies are published:

http://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin/common-provisions_en

f) Importation by instalments

i. Introduction

Certain products which by their nature, such as their size, or for convenience of trade or transport may need to be transported in several consignments, although they are classified as a single product. This could be for instance a prefabricated building or a bridge.

These products are typically dismantled for transport and reassembled or installed in the importing Party of the preferential arrangement.

A single document of origin may be used to cover the preferential import of a single product imported by way of several consignments over a period of time.

ii. General overview

Legal references – examples

- Article 25 of Appendix I of PEM Convention
- Article 28 of Protocol 1 to the EU-SADC EPA
- Article 23 of the EU-Canada CETA origin protocol
- Article 3.17 (6) of the EU-Japan EPA

The importation of a single product by instalments and the use of a single document on origin, is possible only for those products dismantled or non-assembled within the meaning of the General Rule 2a[16] for the interpretation of the HS and falling within Sections XVI and XVII, as well as headings 73.08 and 94.06 of the HS.

General Rule 2a states that an unassembled or disassembled product may be classified in the heading of the complete or finished product provided that it has the essential character of the complete or final product. This is supplemented by additional Note 3 of Section XVI of the Harmonised System[17], which applies to products of Sections XVI and XVII.

For further information see:

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.C_.2019.119.01.0001.01.ENG&toc=OJ%3AC%3A2019%3A119%3ATOC

(1) Procedure for importation by instalments

An importer wanting to use importation by instalments must make a request to the customs authority, which needs to be approved prior to the importation of the first instalment. Upon that importation, a single document on origin shall be submitted to the customs authority. This document on origin confirms the origin of the final product. It is not necessary to determine the origin of each individual instalment for the purposes of its importation.

This procedure, however, does not prevent a retrospective claim for preference for final products previously imported by instalments.

The direct importation of any individual instalment from a third country would not allow the final product to be covered by a single document on origin.

(2) Procedure for exportation by instalments

In order to determine the origin of products to be exported by instalments, the applicable rule is the one relevant for the final product. It is not necessary to determine the origin of each individual instalment that is exported. In this case, a single document on origin for the final product should be issued or made out at the time of export of the first instalment.

This procedure, however, does not prevent a document of origin from being issued or made out retrospectively for final products previously exported by instalments.

[16] Council Regulation (EEC) No 2658/87 of 23.07.1987 on the tariff and statistical nomenclature and on the Common Customs Tariff, OJ No L 256 of 07.09.1987
[17] Commission Regulation (EEC) No 2261/98 of 26.10.1998 (OJ No L 292 of 30.10.1998) the Annex I of the Council Regulation No 2658/87 of 23.07.1987

iii. Particularities

The scope of importation by instalments for the EU-Japan EPA and the EU-UK TCA applies to Sections XV to XXI of the HS.

g) Irregularities in documents on origin

i. Introduction

Irregularities in documents on origin can be of a different nature. For instance, there can be minor errors of slight discrepancies, which could include typing or spelling mistakes, for which the document on origin would still be accepted for granting preferential treatment. There can be errors of a more significant nature, such as the document on origin mentions an incorrect country of origin, for which the document on origin would be rejected. There can as well be errors which may require a verification request to check the origin of the product while the goods are still accepted for preferential treatment at the time of importation.

ii. General overview

Legal references – examples

- Article 29 of Appendix I of the PEM Convention
- Article 27 of the EU-Canada CETA origin protocol
- Article 3.17 (3) of the EU-Japan EPA

There are 4 types of actions commonly referred to in relation to irregularities:

(1) No rejection for minor errors or discrepancies

Minor errors or slight discrepancies between the documents on origin and the information in supporting documents submitted to the customs office for the purpose of carrying out the formalities for importing the products shall not render the documents on origin null and void if it is duly established that those documents do correspond to the products submitted.

Obvious formal errors such as typing errors in a document on origin should not cause that document to be rejected if those errors are not such as to create doubts concerning its correctness.

Example 1: EU-UK TCA

A statement on origin made out by a UK exporter states that the country of origin is the "United Kinkdom". This is clearly a typing error and is covered by Article 57 of the EU-UK TCA and as such preference would be granted in the EU despite the minor error.

However, if the UK exporter states the country of origin as "England" this is not a minor spelling error but an incorrect reference to the country of origin and is not covered by Article 57 of the EU-UK TCA.

(2) Technical reasons for rejection of governmental certificates

A governmental certificate may be rejected for "Technical reasons" where it was not made out in the prescribed manner. These are the cases which may give rise to the subsequent presentation of a retrospectively endorsed government certificate and they include, by way of example, the following:

- the governmental certificate has been made out on a form other than the prescribed one (e.g. no guilloche background, differs significantly from the model in size or colour, no serial number, not printed in one of the prescribed languages);

  The guidelines "Application in the European Union of the provisions concerning printing technical requirements of movement certificates EUR.1, EUR-MED, A.TR. and certificates of origin FORM A" shall be taken into account concerning the assessment of the guilloche pattern background, the size and the colour of the forms.

  https://taxation-customs.ec.europa.eu/system/files/2016-09/guidelines_movements_certificates_en.pdf

- one of the mandatory boxes has not been filled in;
  - Missing information on the country of origin;
  - Missing stamp of the customs office;
  - The signature of the customs official is missing;
  - The exporter's or the authorized representative's signature is missing.

  The absence of remarks regarding the retrospective issuance or the issuance of a duplicate certificate of origin does not result in its rejection but could be a reason for a request of subsequent verification.

- the governmental certificate is endorsed by a non-authorized authority;
- the stamp used is a new one which has not yet been notified;
- the governmental certificate presented is a copy or photocopy rather than the original;
- the entry in Box 2 (agreement) or Box 5 (country or territory of destination) refers to a country/group of countries/territory of destination that does not belong to the relevant Agreement (e.g. Cuba in case Cariforum);
- the date of issuance is not determinable (missing or not readable), so that it is not possible to determine the validity period;

- the quantity appearing on the movement certificate EUR.1 does not match the data appearing on the commercial documents accompanying the goods to the extent that it is obvious that the consignment is different to the goods on that certificate.

Such governmental certificates will be marked "DOCUMENT NOT ACCEPTED", or noted in the customs system with information sent to the importer stating the reason(s), and then returned to the importer in order to enable him to get a new document issued retrospectively.

The customs authorities, however, may keep a photocopy of the rejected documents for the purpose of post-clearance verification or if they have grounds for suspecting fraud.

(3) Denial of preferential treatment without verification

This covers cases in which the document on origin is considered inapplicable, amongst others, for the following reasons:

- the goods to which the document on origin refers are not eligible for preferential treatment;
- the goods description is not provided or refers to goods other than those presented;
- the time-limit on the document on origin has expired for reasons other than those covered by the regulations (e. g. exceptional circumstances), except where the goods were presented before the expiry of the time-limit. For more information, see the section B.8.2.c) on the validity period.
- the document on origin is produced subsequently for goods that were initially imported fraudulently;
- Incorrect indication of a country of origin on the basis of which the document on origin was issued (e.g. indication of the country of origin "Switzerland" in a movement certificate EUR.1 (Box 4) from Mexico; or a statement on origin from the UK with indication "UA" (Ukraine));
- The document on origin names a country with which cumulation is not applicable (e.g., the document is issued in Morocco for products of Faroese origin imported into the EU when the FTA between the Faroe Islands and Morocco does not exist. Be aware that in certain cases this cumulation is applicable, e.g. under the PEM Convention fish with Norwegian origin is imported with a Norwegian document on origin into the Faroe Islands, from where it is exported to the EU with a document on origin issued in the Faroe Islands declaring Norwegian origin, as no processing was done to the fish in the Faroe Islands.);
- for imports from Israel:

  a) If it is mentioned on the document on origin that the originating status conferring production of the goods took place in the Israeli settlements located within the territories brought under Israeli administration since June 1967.

  http://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin/euisrael-technical-arrangement_en

b) Neither the location name nor the postcode of the place of production is indicated.

The government certificates must be noted as inapplicable and retained by the customs authorities to which they were presented in order to prevent any further attempt to use them. Where it is appropriate to do so, the customs authorities of the country of importation shall inform the customs authorities of the country of exportation about the denial without delay.

In specific cases the denial refers only to government certificates or self-certification:

Government certificates

- the government certificate has been issued by a country which does not belong to the preferential system even if the goods originate in a country belonging to the system (e. g. EUR.1 or EUR-MED issued in Saudi Arabia for products originating in Egypt) or the government certificate has been issued by a country with which cumulation is not applicable (e. g. EUR.1 or EUR-MED issued in Egypt for goods exported to Algeria where there is no free trade agreement in place between these two countries);
- one of the mandatory boxes on the government certificate bears traces of non-authenticated erasures or alterations (e. g. the boxes describing the goods or stating the number of packages, the country of destination or the country of origin).

Self-certification

- Missing mandatory information;
    - The exporter number as mentioned in the relevant preferential arrangement (e.g. approved exporter number or REX) is not indicated in the self-certification document, except where there is no requirement to provide it (e.g., due to the threshold for low value consignments).
    - The exporter number as mentioned in the relevant preferential arrangement is not valid (e.g., the REX number is invalid for GSP; the Approved Exporter number is missing for consignments with originating goods with a value above EUR 6 000 or does not correspond to the models notified);
    - Where the preferential arrangements requires a signature, that signature is missing;
    - Compliance with the validity period cannot be checked because it is not possible to determine the date it was made out;
    - Missing or unallocated origin criteria for a statement on origin from Japan.
- The self-certification text is not in line with the template or language set out in the preferential arrangement (e.g. an important part of the declaration is missing like the wording “preferential origin”);

- The self-certification declaration is not on a commercial document in the situation where the preferential agreement mandates this.

(4) Doubts leading to verification requests under administrative cooperation

Verification requests sent out by the Member States are dealt with in section C.3 below.

iii. Particularities

Specific guidance is available in explanatory notes in Section **A.3 Explanatory notes** and above in this Section in **(1) Movement certificates EUR.1**.

Annex 4 – Proof of origin – legal basis

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
Algeria (DZ)	• Movement certificate EUR.1 • Invoice declaration • Movement certificate EUR-MED • Invoice declaration EUR-MED	Art. 16	Approved exporter (over EUR 6 000)	Art. 23	4	Art. 24	EUR 500	Art. 27	EUR 1 200	Art. 27
Andean Countries	• Movement certificate EUR.1 • Invoice declaration	Art. 15	Approved exporter (over EUR 6 000)	Art. 21	12	Art. 22	Import to EU: EUR 500 Import to Andean: USD 2 000	Art. 25	Import to EU: EUR 1 200 Import to Andean: USD 1 000	Art. 25
Andorra (AD) [Agricultural products]	• Movement certificate EUR.1 • Origin declaration	Art. 14	Approved exporter (over EUR 6 000)	Art. 21	4	Art. 22	EUR 500	Art. 24	EUR 1 200	Art. 24
Cameroon (imports to Cameroon) **For imports to EU, see Market Access Regulation decision below)**	• Movement certificate EUR.1-CMR • Origin declaration		Approved exporter (over EUR 6 000)	DECREE 2016/367/ 03-08-2016	10		EUR 500		EUR 1 200	

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
Canada (CA)	• Single origin declaration • Long-term origin declaration (currently only for imports to CA)	Art. 18	Registered exporter (over EUR 6 000)	Art. 19 EU-Canada CETA & Art. 68 UCC-IA	12	Art. 20	Import to EU: EUR 500 Import to CA: CAD 1 600	Art. 24 EU-Canada CETA & Art. 68 UCC-IA & Art. 103 UCC-IA	Import to EU: EUR 1 200 Import to CA: No Limit	Art. 24 EU-Canada CETA & Art. 68 UCC-IA & Art. 103 UCC-IA
CARIFORUM	• Movement certificate EUR.1 • Invoice declaration	Art. 16	Approved exporter (over EUR 6 000)	Art. 22	10	Art. 23	EUR 500	Art. 26	EUR 1 200	Art. 26
Central America	• Movement certificate EUR.1 • Invoice declaration	Art. 14	Approved exporter (over EUR 6 000)	Art. 20	12	Art. 21	EUR 500	Art. 24	EUR 1 200	Art. 24
Ceuta (XC) and Melilla (XL)	• Movement certificate EUR.1 • Invoice declaration	Art. 16	Approved exporter (over EUR 6 000)	Art. 22	4	Art. 23	EUR 500	Art. 26	EUR 1 200	Art. 26
Chile	• Statement on origin • Importer's knowledge	Art. 3.16	Registered exporter (over EUR 6 000)	Art. 3.17 & Annex III & Art. 68 UCC-IA	12	Art. 3.17	EUR 500	Art. 3.21	EUR 1 200	Art. 3.21

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
Côte d'Ivoire	**Imports into the EU from Côte d'Ivoire (till end 2022)** • Movement certificate EUR.1 • Origin declaration **Imports into Côte d'Ivoire from the EU** * Origin declaration	Art 17	Approved exporter (over EUR 6 000) Registered exporter (over EUR 6 000)	Art 21	10	Art 23	EUR 500	Art 26	EUR 1 200	Art 26
ESA	Imports into the EU from ESA (except Zimbabwe , Madagascar and Seychelles) • Movement certificate EUR.1 • Invoice declaration Imports into the EU from Zimbabwe, Madagascar and Seychelles • Invoice declaration Imports into ESA from the EU • Invoice declaration	Art. 18 & /06 Notes: 2021/C390/ 03/ 2023/C23/0 4 2023/C145	Approved exporter (over EUR 6 000) Registered exporter (over EUR 6 000) Registered exporter (over EUR 6 000)	Art. 18(3), 23 and 24	10	Art. 25	EUR 500	Art. 29	EUR 1 200	Art. 29

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
Generalised Scheme of Preferences (GSP) [exports from EU for the purpose of cumulation]	• Statement on origin	Art. 92 UCC-IA	Registered exporter (over EUR 6 000)	Art. 78 UCC-IA	12	Art. 99 UCC-IA	EUR 500	Art. 103 UCC-IA	EUR 1 200	Art. 103 UCC-IA
Generalised Scheme of Preferences (GSP) [Imports into the EU]	• Statement on origin	Art. 92 UCC-IA	Registered exporter (over EUR 6 000)	Art. 78 UCC-IA	12	Art. 99 UCC-IA	EUR 500	Art. 103 UCC-IA	EUR 1 200	Art. 103 UCC-IA
Ghana	Imports into the EU from Ghana • Origin declaration Imports into Ghana from the EU • Origin declaration	Art. 17	Registered exporter (over 6.000 EUR)	Art. 21	10	Art. 23	EUR 500	Art. 26	EUR 1 200	Art. 26
Israel (IL)	• Movement certificate EUR.1 • Invoice declaration • Movement certificate EUR-MED • Invoice declaration EUR-MED	Art. 16	Approved exporter (over EUR 6 000)	Art. 23	4	Art. 24	EUR 500	Art. 27	EUR 1 200	Art. 27

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
Japan (JP)	• Single statement on origin • Long-term statement on origin • Importer´s knowledge	Art. 3.16 & Art. 3.17	Registered exporter (over EUR 6 000)	Art. 3.17 & Annex 3-D & Art. 68 UCC-IA	12	Art 3.17	Import to EU: EUR 500 Import to Japan: YEN 100 000	Art. 3.20	Import to EU: EUR 1 200 Import to Japan: YEN 100 000	Art. 3.20
Korea (KR)	• Origin declaration	Art. 15	Approved exporter (over EUR 6 000)	Art. 17	12	Art. 18	Import to EU: EUR 500 Import to KR: USD 1 000	Art. 21	Import to EU: EUR 1 200 Import to KR: USD 1 000	Art. 21
Western Balkans - Autonomous measures	• Movement certificate EUR.1 • Invoice declaration	Art. 113 UCC-IA	Approved exporter (over EUR 6 000)	Art. 120 UCC-IA	4	Art. 121 UCC-IA	EUR 500	Art. 122 UCC-IA	EUR 1 200	Art. 122 UCC-IA
Lebanon (LB)	• Movement certificate EUR.1 • Invoice declaration	Art. 16	Approved exporter (over EUR 6 000)	Art. 22	4	Art. 23	EUR 500	Art. 26	EUR 1 200	Art. 26
Market Access Regulation decision	• Movement certificate EUR.1 • Invoice declaration	Art. 14	Approved exporter (over EUR 6 000)	Art. 20	10	Art. 21	EUR 500	Art. 25	EUR 1 200	Art. 25

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
Mexico (MX)	• Movement certificate EUR.1 • Invoice declaration	Art. 15	Approved exporter (over EUR 6 000)	Art. 21	10	Art. 22	EUR 500	Art. 25	EUR 1 200	Art. 25
Morocco (MA)	• Movement certificate EUR.1 • Invoice declaration • Movement certificate EUR-MED • Invoice declaration EUR-MED	Art. 16	Approved exporter (over EUR 6 000)	Art. 23	4	Art. 24	EUR 500	Art. 27	EUR 1 200	Art. 27
New Zealand	• Statement on origin (single shipment) • Statement on origin (multiple shipments- identical products) • Importer´s knowledge	Art 3.16(2) Art 3.18 Art 3.20	Registered exporter (over EUR 6 000)	Art. 3.18 & Annex 3-C & Art. 68 UCC-IA	12	Art 3.18(3)	Imports into the EU: EUR 500 Imports into NZ: NZD 1 000	Art 3.22	Imports into the EU: EUR 1 200 Imports into NZ: NZD 1 000	Art 3.22
Overseas Countries and Territories (OCTs)	• Statement on origin	Art. 21	Registered exporter (over 10.000 EUR)	Art. 21	12	Art. 28	EUR 500	Art. 30	EUR 1 200	Art. 30
Pacific States	• Movement certificate EUR.1 • Invoice declaration	Art. 15	Approved exporter (over EUR 6 000)	Art. 21	10	Art. 22	EUR 500	Art. 25	EUR 1 200	Art. 25

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
PEM Convention	• Movement certificate EUR.1 • Origin declaration • Movement certificate EUR-MED • Origin declaration EUR-MED	Art. 15	Approved exporter (over EUR 6 000)	Art. 22	4	Art. 23	EUR 500	Art. 26	EUR 1 200	Art. 26
PEM Transitional rules	• Movement certificate EUR.1 • Origin declaration	Art. 17 of Appendix A to the revised agreements	Approved exporter (over EUR 6 000)	Art. 19 of Appendix A to the revised agreements	10	Art. 23 of Appendix A to the revised agreements	EUR 500	Art. 27 of Appendix A to the revised agreements	EUR 1 200	Art. 27 of Appendix A to the revised agreements
Revised PEM Convention	• Movement certificate EUR.1 • Origin declaration	Art 17 of Appendix I	Approved exporter (over EUR 6 000)	Art 19 of Appendix I	10	Art 23 of Appendix I	EUR 500	Art 27 of Appendix I	EUR 1 200	Art 27 of Appendix I
SADC	• Movement certificate EUR.1 • Origin declaration	Art. 19	Approved exporter (over EUR 6 000)	Art. 25	10	Art. 26	EUR 500	Art. 29	EUR 1 200	Art. 29

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
Singapore	Imports into the EU from Singapore • Statement on origin Imports into Singapore from EU • Origin declaration	Art. 16	Register exporter	Art. 17	12	Art. 19	EUR 500	Art. 22	EUR 1 200	Art. 22
Syria (SY)	• Movement certificate EUR.1 • Form EUR 2 (postal consignments < 1000 units of account)	Art. 6	None	None	5 (EUR.1)	Art. 11	60 units of account	Art. 17	200 units of account	Art. 17
Türkiye (TR) [ECSC products]	• Movement certificate EUR.1 • Invoice declaration • Movement certificate EUR-MED • Invoice declaration EUR-MED	Art. 16	Approved exporter (over EUR 6 000)	Art. 23	4	Art. 24	EUR 500	Art. 27	EUR 1 200	Art. 27
Türkiye (TR) [agricultural products]	• Movement certificate EUR.1 • Invoice declaration • Movement certificate EUR-MED • Invoice declaration EUR-MED	Art. 16	Approved exporter (over EUR 6 000)	Art. 23	4	Art. 24	EUR 500	Art. 27	EUR 1 200	Art. 27

Preferential arrangements	Proof of Origin									
	Kind of proof		System of self-certification used in the EU		Period of validity		Exceptions from proof of origin			
							Small packages		Personal luggage	
	Comments	Legal basis	Comments	Legal basis	N° months	Legal basis	Amount	Legal basis	Amount	Legal basis
United Kingdom (including the Channel Islands and the Isle of Man) **(Excluded : Gibraltar and the UK OCTs)**	• Statement on origin (single shipment) • Statement on origin (multiple shipments- identical products) • Importer´s knowledge	Art. 54, 56 & Art.58	In the EU : Registered exporter (over EUR 6 000) In the UK : Registered exporter (EORI number)	Art. 56 & Annex 7 & Art. 68 UCC-IA	Imports into the EU 12 Imports into the UK 24	Art. 56	Imports into the EU: EUR 500 Imports into the UK: GBP 1 000 (limits set under the UK domestic law)	Art 60	Imports into the EU: EUR 1 200 Imports into the UK:: GBP 1 000(limits set under the UK domestic law)	Art 60
							UK: Additional exception from proof of origin : Imports into the UK other low value consignments 1.000 GBP (Art. 60)			
Vietnam	Imports into the EU from Vietnam •Certificate of origin EUR.1 •Origin declaration Imports into Vietnam from the EU Statement of origin	Art 15	In Vietnam : Approved Exporter (over EUR 6 000) In the EU : Registered exporter (over 6.000 EUR)	Art 15 & Art 68 UCC-DA	12	Art 21	Imports into the EU: EUR 500 Imports into Vietnam USD 200	Art 24	Imports into the EU: EUR 1 200 Imports into Vietnam USD 200	Art 24

Andean Countries: Colombia, Ecuador and Peru
CARIFORUM: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, Trinidad and Tobago
Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama
ESA: Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe
Market Access Regulation: Cameroon (importations from Cameroon to the EU) and Kenya
Overseas Countries and Territories: Greenland, New Caledonia and dependences*, French Polynesia*, French Southern and Antarctic Territories, Wallis and Futuna Islands, Saint Pierre and Miquelon*, Saint-Barthelemy, Aruba and Netherlands Antilles

- OCTs that provide preference to the EU

PEM Convention: Albania, Bosnia and Herzegovina, Egypt, Faroe Islands, Georgia, Iceland, Jordan, Kosovo*, Liechtenstein, Montenegro, North Macedonia, Norway, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Republic of Moldova, Serbia, Switzerland, Türkiye and Ukraine.
PEM Transitional rules and Revised PEM Convention – applying contracting parties**:** see https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en
SADC: Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland
Pacific States: Fiji, Papua New Guinea, Samoa and Solomon Islands
* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

B.9. Supplier's declaration

This section contains a brief description of the concept of supplier's declarations and provides a link to the guidance on Supplier's Declaration.

1) Introduction

Documents on origin may only be issued or made out on the basis of information and documents proving the originating status of the goods. One such document is a supplier's declaration.

2) General overview

A supplier's declaration is a declaration by which a supplier provides information to his customer concerning the originating status of goods with regard to the specific preferential rules of origin. The supplier is the person who has control and the knowledge of the originating status of the delivered goods, and is not necessarily identical to the person issuing the invoice for the goods. The customer needs the information on the originating status of the goods to establish the preferential origin of the goods he exports or delivers to another customer.

Therefore, a supplier's declaration can either support the issuing or making out of a document on origin, or the making out of a subsequent supplier's declaration when the goods are sold, delivered or transferred between suppliers.

In any case, supplier's declarations shall be kept for use as a supporting document for:

- applications for the issue of movement certificates EUR.1 or EUR-MED;
- the making out of an invoice or origin declaration, an origin declaration EUR-MED or a statement on origin.

A supplier's declaration as such may not be used as a document on origin for claiming preferential treatment at importation. Nor can a document on origin for claiming preferential tariff treatment be used instead of a supplier's declaration.

Suppliers' declarations are mainly used for deliveries of goods within the European Union. However, suppliers' declarations are also possible in trade with some partner countries of the European Union.

For more information see the guidance on supplier's declarations at:

https://taxation-customs.ec.europa.eu/system/files/2020-01/suppliers-declaration-may-2018_en.pdf

B.10. Accounting segregation

This section explains the principles of accounting segregation and its application.

1) Introduction

Originating and non-originating materials or products must be physically stored separately otherwise all those materials or products stored together would be considered as non-originating. However, the loss of originating status for materials only has relevance when the list rules would consequently not be fulfilled.

The accounting segregation method allows economic operators to physically store together originating and non-originating fungible materials, and under certain preferential agreements also a defined list of fungible products, without the originating materials or products losing their originating status. This method may help minimise the costs or difficulties faced by the economic operators who would prefer to store their originating and non-originating stocks together.

2) General overview

The accounting segregation method for materials, and in certain cases for products, may only be used under those preferential arrangements which provide for such a possibility (see the list in Annex 6). It is, therefore, strongly recommended to always refer to the applicable legal basis to verify whether the accounting segregation method is allowed and, if so, under which conditions. Depending on the preferential arrangement, an authorisation by customs may be required.

Under accounting segregation, the origin of the materials that are actually used in the production process is no longer known. However, when determining the origin of the products, materials can be considered as originating if the stock records show that there are enough originating materials to cover their use.

The method needs to always ensure that the quantity of the finished originating products obtained is no more than that which would have been obtained if there had been a physical segregation of the originating and non-originating materials used.

a) Conditions for using the accounting segregation method

For using accounting segregation, the economic operator shall:

a) where required in certain preferential arrangements

   i. hold an authorisation

   ii. demonstrate that keeping a physical segregation of stocks of originating and non-originating materials would be costly or difficult;

b) keep stock records sufficient to ensure that no more originating products are produced than would have been the case if the materials were stored separately

c) produce a product from originating and non-originating materials that are fungible or supply products that are fungible;

d) apply for or make out a document on origin or make out a supplier's declaration for that product.

For the authorisation to be granted, the economic operator must commit to fulfil the following requirements:

- accept full responsibility for the management of the accounting segregation method and for the consequences of incorrect documents on origin or other misuses of the method;
- make available to the customs authorities, when requested to do so, all documents, records and accounts for any relevant period;
- maintain at all times an appropriate stock record for the purposes of accounting segregation.

b) Fungible materials and products

Originating and non-originating fungible materials or products must be identical and interchangeable. This means they must be of the same kind and commercial quality, with the same technical and physical characteristics. It should not be possible to distinguish them from one another, and in case of fungible materials only once they have been incorporated into the product.

For details on fungible products see Annex 5. See also EU-Canada CETA guidance published on the Europa website at the following address:

https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin/canada_en

c) Accounting segregation authorisation

Where an authorisation for accounting segregation is required the general provisions of the UCC on decisions relating to the application of the customs legislation should apply.

Where an authorisation is not needed, it is still advisable before using this method to contact the competent customs authority for support as provided for in Article 14 UCC *Provision of information by the customs authorities*. This may be useful in particular in view of the choice of a stock management system to apply accounting segregation correctly, so that in the case of a subsequent verification the evidence of origin of the products can be demonstrated.

i. Application for the accounting segregation authorisation

The application should be submitted to the competent customs authority and processed by them in accordance with the conditions laid down in Article 22 UCC *Decisions taken upon application*. The customs authorities have 30 days to verify whether the conditions for the acceptance of the application are fulfilled. The time limit for the acceptance of the application may be prolonged by 30 days where the customs authority establishes that the application does not contain all the information required (Article 12(2) UCC-IA).

The data elements the applicant needs to provide are listed in Annex 5 below.

ii. Competent customs authority for issuing the accounting segregation authorisation

The customs authority competent for issuing the authorisation shall be that of the place where the applicant's main accounts for customs purposes are held or accessible and where at least part of the activities to be covered by the decision are to be carried out (third subparagraph of Article 22(1) UCC). That authority needs to be capable of checking the application, and subsequently the correct use of the authorisation. Therefore, the place of storage of fungible originating and non-originating materials must be taken into account in determining the Member State in which the authorisation can be issued.

iii. Time limit for issuing the accounting segregation authorisation

In principle, decisions to grant or refuse an accounting segregation authorisation should be taken as soon as possible and within the time limits set out by the UCC (Article 22(3) UCC), i.e. no longer than 120 days after the date of acceptance of a fully complete application in accordance with Article 11 UCC-DA.

The time limit can be extended by

- 30 days where the customs authority needs additional information from the applicant (Article 13(1) UCC-DA);
- 30 days where the customs authority is unable to comply with the time limit, e.g. in complex cases (the second subparagraph of Article 22(3) UCC);

- 30 days where the applicant may exercise the right to be heard (Article 13(2) UCC-DA).

More information on time limits and the right to be heard for customs decisions can be found in Customs Decision Quick Info at:

https://taxation-customs.ec.europa.eu/system/files/2019-03/13_taxud_ucc_customs_decisions_quick_info_en.pdf

iv. Validity of the authorisation

Authorisations are issued for an unlimited time, as long as the conditions provided for in the authorisation continue to be met (Article 22(5) UCC).

v. Monitoring of the authorisation

The competent customs authorities shall monitor the correct use of the authorisation (Article 23(5) UCC).

In addition, in the case of a subsequent verification of a document on origin at the request of a partner country, the competent customs authority also needs to check whether the conditions provided for the authorisation of accounting segregation have been respected.

vi. Amendment, revocation and annulment

The customs authorities may revoke or modify an authorisation at any time. They must do so whenever the conditions for taking that decision were or are no longer fulfilled (Article 28 UCC).

When the authorisation was issued on the basis of incorrect or incomplete information, the authorisation is annulled in accordance with Article 27 UCC.

The economic operator has the right to be heard (Article 22(6) UCC) when the customs authority intends to take a decision that adversely affects this economic operator.

d) Stock management system

To ensure that the quantity of originating products is no more than the quantity which would have been obtained if the materials had been stored separately, a suitable stock management system needs to be in place.

Accordingly, a document on origin or a supplier's declaration may not be made out or issued if there are not sufficient quantities of originating materials according to the stock management system of the economic operator at the time of determining origin (see below). In other words, it is not possible to anticipate a future supply of originating materials which would replace a quantity of non-originating materials already used in the production of the product.

Stock records shall list originating and non-originating materials, and contain at least the following information:

- the stock balance between originating and non-originating materials on the date of the authorisation;
- the stock balance between originating and non-originating products on the date of the authorisation;
- date of storage, the quantity and value (if needed) of the originating and non-originating materials;
- the daily stock, by quantity and value (if needed), of originating and non-originating materials;
- the quantity and value (if needed) of the used originating and non-originating materials at the time of the determination of origin of the product;
- the quantity of the products (originating and non-originating);
- the date of dispatch of the products (originating and non-originating);
- if needed, the date of production or the date of issue or making out of the document on origin or supplier's declaration.

Additionally, the rate of yield is an important factor in the production process.

The rate of yield

The rate of yield indicates the quantity of materials which must be used to obtain a unit of the product. Depending on the criteria for obtaining the preferential origin, e.g. a maximum of 40% or 50% of non-originating materials used as a percentage of the ex-works price of the product, it also allows to know the quantity of originating materials that must be available in the stock management system to issue or make out a document on origin or a supplier's declaration for a unit of the product.

If this rate is not linear, it should be mentioned in the stock management system.

The time at which the determination of origin is made

The determination of origin of the product can be made:

- at the moment the product is manufactured, or
- when the document on origin (or supplier's declaration) is issued or made out, or
- at the time of dispatch of the product.

At the respective time when the determination of origin is made, there must be sufficient stocks of originating materials to allow the products to fulfil the preferential rule of origin. This data must be kept in the stock management system.

It is advisable that the time at which the determination of origin is made is agreed with the customs authorities of the Member State concerned.

Where a document on origin or a supplier's declaration is made out or issued retrospectively, the products may be required to have been originating at the date of dispatch or manufacture, as appropriate.

Long-term supplier´s declarations may only be made out if at the time of dispatch of every single consignment, or of manufacture of the product, there will be a sufficient quantity of originating materials. If there is not a sufficient quantity of originating materials available at the time of the dispatch of the product, or manufacture, the long-term supplier´s declaration shall be withdrawn by the economic operator.

The approach applied to long-term supplier's declarations would apply equally to a document on origin made out for multiple shipments of identical products.

Where the economic operator supplies non-originating products to his customer, the former is advised to deduct the non-originating materials from the stock records. If according to the records, stocks of non-originating materials are not available, the materials for these non-originating products must be deducted from the stock records of the originating materials.

3) Particularities

Accounting segregation for sugar and ethylene

Additionally, where originating and non-originating sugar or ethylene is stored together under accounting segregation the quantity of originating sugar or ethylene may be sold within the EU and keep its originating status provided that this product is further processed before being exported under preference. The originating product will not keep its originating status if it is delivered to a trader in the EU as the trader will not be further processing the sugar or ethylene.

The reason for this treatment for sugar is the specificities of the sugar market, and the storage difficulties of ethylene.

Annex 5 - Accounting segregation authorisation

1. Application: data elements the applicant needs to provide

When applying for authorisation for accounting segregation, the economic operator needs to provide the necessary information. Each Member State may prescribe a specific application form. The following data elements could be requested, inter alia:

a) Data elements relating to the applicant:

Company:

- corporate name
- EORI number
- address of the company - if different additionally the administration or establishment which holds the accounting records e.g. stock records, documents on origin, information on production process, etc.
- if available: REX number, Approved Exporter number, Authorised Economic Operator (AEO) number
- Contact person: first name and surname, e-mail address, phone number, position in the company;

b) Data elements relating to production and storage

- Address(es) of manufacturing location
- Address(es) of storage location

c) Reasons for the need to set up the accounting segregation method

According to certain preferential arrangements (see Annex 6), the economic operator shall demonstrate that keeping a physical segregation of its stocks of originating and non-originating materials would be costly or difficult.

The economic operator shall also indicate that the materials which will be stored together are fungible.

d) Data elements on the fungible materials

Non-originating materials:

- HS heading
- Description
- Commercial description
- Technical and physical characteristics

Originating materials

- HS heading
- Description
- Commercial description
- Technical and physical characteristics
- The preferential origin (EU or country/territory of cumulation) for the preferential arrangement(s) concerned. If available, supporting documents, proving that the materials are originating should be indicated.

e) Data elements on finished products for which the document on origin or supplier's declaration will be issued or made out

- HS heading
- Description
- Commercial description
- Technical and physical characteristics
- Country(ies)/territory(ies) exported to and reference to the preferential arrangement(s) concerned
- List rule used for obtaining the preferential origin in the preferential arrangement(s) concerned

2. Accounting segregation authorisation

The authorisation should consist of a customs decision, which may contain in an annex the application form completed and the model of the stock records.

The authorisation shall further indicate at which point in time the origin of the product should be determined.

Annex 6: Accounting segregation – Legal basis

Preferential arrangements	Legal basis	OJ	Legal basis	Materials or products	Authorisation required	Requirement of considerable cost of logistics or material difficulties
Algeria	Euro-Mediterranean Association Agreement - Protocol 6 –	OJ L297 of 15/11/2007, p.3	Art 21	materials	Yes	Yes
Andean Countries	Trade Agreement - Annex II	OJ L354 of 21/12/2012, p. 2075	No	___	___	___
Andorra (Agricultural products)	Appendix to the Agreement - Decision No 1/2015 of the EU-Andorra Joint Committee	of 30/12/2015, p. 15	Art 19	materials	Yes	Yes
Cameroon (imports to Cameroon) **For imports to EU, see Market Access Regulation decision below)**	Decree No 2016/367 of 3 August 2016 of the Republic of Cameroon		No	___	___	___
Canada	Comprehensive Economic and Trade Agreement (EU-Canada CETA) - Protocol	OJ L11 of 14/01/2017, p. 465	Art 10	- Materials - Products of chapter 10, 15, 27, 28, 29, heading 32.01 through 32.07, or heading 39.01 through 39.14 of the HS	-may be required/ the requirements are less strict - the EU operators should preferably ask his customs authorities for support before applying this system	No
CARIFORUM	Economic Partnership Agreement - Protocol I	OJ L289 of 30/10/2008, p. 1805	No	___	___	___
Central America	Association Agreement - Annex II	OJ L346 of 15/12/2012, p. 1803	No	___	___	___
Ceuta and Melilla	Council Regulation (EC) No 82/2001 of 5/12/2000	OJ L20 of 20/01/2001, p. 1	No	___	___	___
Chile	Interim Trade Agreement - Chapter 3, Annexes 3-A to 3-E	OJ L, 2024/2953 of 20.12.2024, p. 12	Art. 3.12	materials	No	No
Côte d'Ivoire	Stepping stone Economic Partnership Agreement – Decision 2/2019 of the EPA Committee - Protocol 1	OJ L49 of 21/02/2020, p. 1	Art 13	materials	Yes	Yes

Preferential arrangements	Legal basis	OJ	Legal basis	Materials or products	Authorisation required	Requirement of considerable cost of logistics or material difficulties
ESA	Interim Agreement establishing a framework for an Economic Partnership Agreement – Amended Protocol 1	OJ L93 of 27/03/2020, p. 1	Art 13	Materials Raw sugar not containing added flavouring or colouring matter and destined for further refining, of subheadings 1701 12, 1701 13 and 1701 14 of the HS___	Yes ___	Yes ___
Ghana	Stepping stone Economic Partnership Agreement– Decision 1/2020 of the EPA Committee – Protocol 1	OJ L350 of 21/10/2020, p.1	Art 13	Materials Raw sugar not containing added flavouring or colouring matter and destined for further refining, of subheadings 1701 12, 1701 13 and 1701 14 of the HS	Yes	Yes
Generalised Scheme of Preferences (GSP)	Commission Delegated Regulation (EU) 2015/2446 of 28/07/2015 (UCC - DA) - Commission Implementing Regulation (EU) 2015/2447 of 24/11/2015 (UCC-IA)	OJ L343 of 29/12/2015, p. 1 (UCC-DA) p. 558 (UCC-IA)	Art 58 ONLY FOR EU OPERATORS	materials	Yes	No
Israel	Euro-Mediterranean Association Agreement - Protocol 4	OJ L20 of 24/01/2006, p. 1	Art 21	materials	Yes	Yes
Japan	Economic Partnership Agreement - Annex 3A	OJ L330 of 27/12/2018, p. 23	Art 3.8	materials	may be required	No
Korea	Free Trade Agreement - Protocol	OJ L127 of 14/05/2011, p. 1344	Art 11	materials	Yes	Yes
Lebanon	Euro-Mediterranean Association Agreement - Protocol 4	OJ L143 of 30/05/2006, p. 73	No	___	___	___
Market Access Regulation decision	Regulation (EU) 2016/1076 of the European Parliament and of the Council of 8/6/2016 - Annex II	OJ L185 of 08/07/2016, p. 16	No	___	___	___
Mexico	Decision No 2/2000 of the EC-Mexico Joint Council - Annex III	OJ L245 of 29/09/2000, p. 954	Art 8	materials	Yes	Yes

Preferential arrangements	Legal basis	OJ	Legal basis	Materials or products	Authorisation required	Requirement of considerable cost of logistics or material difficulties
Morocco	Euro-Mediterranean Association Agreement - Protocol 4	OJ L336 of 21/12/2005, p. 1 (amended in OJ L248 of 22/09/2010 and OJ L17 of 26/01/2016)	Art 21	materials	Yes	Yes
New Zealand	Free trade agreement – Chapter 3	OJ L, 2024/866, 25.3.2024	Art 3.13	- Materials - Products of chapter 10, 15, 27, 28, 29, HS headings 32.01 to 32.07, or HS headings 39.01 to 39.14	No	No
Overseas Countries and Territories (OCTs)	Council Decision EU/2021/1764 of 5/10/202119/12/2019 - Annex II	OJ L355 of 7/10/2021, p. 50	Art 15	materials	Yes	No
Pacific States	Interim Partnership Agreement - Protocol II	OJ L272 of 16/10/2009, p.569	No	___	___	___
PEM Convention	Regional Convention on pan-Euro-Mediterranean preferential rules of origin - Appendix I	OJ L54 of 26/02/2013, p.8	Art 20	materials	Yes	Yes
PEM Transitional rules	Appendix A to revised agreements between the EU and some PEM contracting parties (see list below in footnote)	See footnote below under "PEM Transitional rules"	Art 12	Materials Products of heading 1701	May be required	No
Revised PEM Convention	PEM JC Decision No 1/2023 of 07/12/2023 - Appendix I	OJ L 2024/390 of 19/02/2024, p. 1	Art 12	Materials Products of heading 1701	May be required	No
SADC	Economic Partnership Agreement - Protocol I	OJ L250 of 16/09/2016, p. 1924	Art 16	materials	Yes	Yes
Singapore	Free Trade Agreement – Protocol I	OJ L294 of 14/11/2019, p. 1924	Art 11	materials	Yes	No
Syria	Cooperation Agreement - Protocol 2	OJ L269 of 27/09/1978, p.22	No	___	___	___
Türkiye (ECSC products)	Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee -Protocol 1	OJ L 143 of 06/06/2009, p.3	Art 21	materials	Yes	Yes

Preferential arrangements	Legal basis	OJ	Legal basis	Materials or products	Authorisation required	Requirement of considerable cost of logistics or material difficulties
Türkiye (agricultural products)	Decision No 3/2006 of the EC-Turkey Association Council, of 19 December 2006, amending Protocol 3 to Decision No1/98 of the EC-Turkey Association Council of 25 February 1998 on the trade regime for agricultural products - Protocol 3		No	—	—	—
United Kingdom (including the Channel Islands and the Isle of Man) (Excluded : Gibraltar and the UK OCTs)	Trade and Cooperation Agreement	OJ L149 of 30/04/2021, p. 73	Art 50	- Materials - Products of chapter 10, 15, 27, 28, 29, HS headings 32.01 to 32.07, or HS headings 39.01 to 39.14	May be required	No
Vietnam	Free Trade Agreement, Protocol 1	OJ L186 of 12/6/2020 , p. 1325	Art 11	materials	Yes	No

Andean Countries: Colombia, Ecuador and Peru
CARIFORUM: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, Trinidad and Tobago
Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama
ESA: Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe
Market Access Regulation: Cameroon (importations from Cameroon to the EU) and Kenya
Overseas Countries and Territories: Greenland, New Caledonia and dependences, French Polynesia, French Southern and Antarctic Territories, Wallis and Futuna Islands, Saint Pierre and Miquelon, Saint-Barthelemy, Aruba and Netherlands Antilles
PEM Convention: Albania, Bosnia and Herzegovina, Egypt, Faroe Islands, Georgia, Iceland, Jordan, Kosovo*, Liechtenstein, Montenegro, North Macedonia, Norway, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Republic of Moldova, Serbia, Switzerland, Türkiye and Ukraine.
PEM Transitional rules and Revised PEM Convention – applying contracting parties**:** see https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en
SADC: Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland
Pacific States: Fiji, Papua New Guinea, Samoa and Solomon Islands
* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

B.11. Customs unions documents

This section contains an explanation of the customs union documents used for proving the status of goods within the EU customs unions with Türkiye, Andorra and San Marino.

1) Introduction

The EU has separate customs unions with the following countries: Türkiye, Andorra and San Marino. Goods may move freely within the respective customs union territory on the condition that they comply with the rules for free circulation and are accompanied by a document proving their status, as set out in the respective customs union agreement or decision. For the purpose of this guidance, these documents proving the status of the goods are called "customs union documents".

The preferential treatment within those customs unions is based on the free circulation of the goods, and not on their originating status.

Nevertheless, there are certain goods that are not falling within the scope of the customs unions with Türkiye and Andorra, and may benefit from preferential treatment based on origin.

The customs status of goods in free circulation is established by different documents to those in preferential arrangements.

Türkiye

- **Customs Union**: goods except certain agricultural goods[18] and certain European Coal and Steel Community (ECSC) goods[19]
- **Preferential trade based on origin**: certain ECSC goods and certain agricultural goods[20]

[18] Defined in Annex I to the TFEU. Check TARIC for up-to-date information.

[19] Defined in Annex 1 to the Agreement between the European Coal and Steel Community and the Republic of Turkey on trade in products covered by the Treaty establishing the European Coal and Steel Community - Protocol 1 on rules of origin (Official Journal L 227, 07/09/1996 P. 0003 – 0034). Check TARIC for up to date information.

[20] Defined in Council Decision No 2/2006 of the EU-Turkey Association Council of 17 October 2006 amending Protocols 1 and 2 to Decision No 1/98 on the trade regime for agricultural products (2006/999/EC) – Official Journal L 367, 22.12.2006, p. 68-76). Check TARIC for up-to-date information.

Andorra

- **Customs Union**: industrial goods (HS Chapters 25 to 97)
- **Preferential trade based on origin**: goods originating in Andorra covered by HS Chapters 1 to 24
- Tobacco products (HS Headings 24.02 and 24.03): unilateral preference treatment given by Andorra

San Marino

- **Customs Union**: all goods except ECSC products
- **Preferential trade based on origin**: there is no preferential arrangement based on origin.

2) General overview

Preferential treatment in a customs union is granted for goods which are:

- covered by the relevant Customs Union (e.g. agricultural products from Andorra are excluded)[21].
- in free circulation in the partner country of the customs union. transported directly from the partner country.
- accompanied by a document according to the relevant customs union agreement or decision.

The goods covered by the respective customs union are goods produced in the territory of the customs union, including those wholly or partially obtained or produced from goods coming from third countries which are in free circulation in the territory of the customs union. Moreover, the goods covered include also goods coming from third countries which are in free circulation in the territory of the customs union.

Goods which are placed under a special customs procedure (customs warehousing, free zone, inward processing, or temporary admission), or in temporary storage are not in free circulation and hence cannot benefit from a preferential treatment, until import formalities for these goods have been complied with in accordance with Article 4 of the Decision 1/2006.

Even where the goods are in free circulation in the customs union partner country, trade measures will apply when those goods are imported into the other part of the customs union which implements such measures.

Example:

The EU applies anti-dumping duties to bicycles originating in China, a measure which is not applied in Türkiye. Those goods are imported into Türkiye and put into free circulation in Türkiye. When those bicycles are imported into the EU from Türkiye covered by an A.TR

[21] Article 2 of the Agreement between the European Economic Community and the Principality of Andorra.

movement certificate anti-dumping duties (or any other trade measures) must be paid in the EU.

a) Customs union documents in trade with Türkiye

Legal reference

- Chapter 2 of Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee of 26 September2006 (Specimen of an A.TR. movement certificate: Annex I to Decision No 1/2006)[22]

The A.TR. movement certificate is a government certificate issued by the customs authorities of Türkiye or of an EU Member State at the exporter´s request and only when the relevant conditions are met.

When issuing an A.TR. movement certificate, the issuing customs authorities shall take any steps necessary to verify the status of the goods. To this end, the exporter applying for the issue of an A.TR. movement certificate shall be prepared to submit at any time, at the request of the issuing customs authorities all appropriate documents proving the status of the goods concerned[23].

In particular, for goods with an export declaration bearing a code ((the four-digit code composed of a two-digit code representing the procedure requested, followed by a two digit code representing the previous procedure), other than "10 00" or "10 40", the appropriate documents proving the customs status of the goods to be submitted by the exporter may include the customs clearance documents,.

The A.TR. movement certificate shall be made available to the exporter as soon as the actual exportation has been effected or ensured. The exportation is considered to be ensured when the export declaration has been accepted by customs.

A simplified procedure for the issue of an A.TR. movement certificate is available to exporters authorised as approved exporters if they make frequent shipments for which A.TR. movement certificates are issued and offer, to the satisfaction of the customs authorities, all guarantees necessary to verify the status of the goods.[24] In this authorisation the customs authorities shall stipulate that the box reserved for endorsement by customs must either:

(a) be endorsed beforehand with the stamp of the customs office of the exporting country and the signature, which may be a facsimile, of an official of that office, or

[22] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2006.265.01.0018.01.ENG&toc=OJ%3AL%3A2006%3A265%3ATOC

[23] Article 7 of Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee of 26.09.2006.

[24] Article 11 of Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee of 26.09.2006.

(b) be endorsed by the approved exporter with a special stamp which has been approved by the customs authorities of the exporting country and corresponds to the specimen in Annex III to Decision No 1/2006. Such a stamp may be pre-printed on the A.TR.

This also covers the issuance of duplicates.

In the case referred to in (a), the phrase "simplified procedure" must be entered in box 8 "Remarks" of the A.TR. movement certificate in one of the EU official languages or in Turkish.

i. Validity period of A.TR. movement certificates

Legal reference

- Article 8 of Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee of 26 September 2006

An A.TR. movement certificate shall be submitted to the customs authority of the importing country within four months of the date of issue by the customs authorities of the exporting country. A.TR. movement certificates submitted after the final date for submission may be accepted if the failure to submit these documents by that date set is due to exceptional circumstances. In other cases of belated presentation[25], the customs authorities shall accept A.TR. movement certificates where the goods were submitted before that final date.

ii. Duplicate issue of A.TR. movement certificates

Legal reference

- Article 10(4) of Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee of 26 September 2006

In the event of the theft, loss or destruction of an A.TR. movement certificate, the exporter may apply to the customs authority which issued the original A.TR. movement certificate for a duplicate to be made out on the basis of the export documents in their possession. The duplicate A.TR. movement certificate issued in this way must be endorsed in box 8 "Remarks" with "DUPLICATE" in one of the EU official languages or in Turkish together with the date of issue and the serial number of the original certificate.

iii. Retrospective issue of A.TR. movement certificates

Legal reference

- Article 15 of Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee of 26 September 2006

[25] https://taxation-customs.ec.europa.eu/system/files/2016-09/2267-final_en.pdf

An A.TR. movement certificate may exceptionally be issued after exportation of the goods to which it relates if:

- it was not issued at the time of exportation because of errors or involuntary omissions or special circumstances; or
- it is demonstrated to the satisfaction of the customs authorities that an A.TR. movement certificate was issued but was not accepted at importation for technical reasons.

A.TR. movement certificates issued retrospectively must be endorsed in box 8 "Remarks" with "ISSUED RETROSPECTIVELY" in one of the EU official languages or in Turkish.

iv. Replacement of A.TR. movement certificates

Legal reference

- Article 13 of Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee of 26 September 2006

The customs authority under whose control the goods are placed, may replace the original A.TR. movement certificate by one or more replacement A.TR. movement certificates. This may, for example, arise where one part of goods imported from Türkiye is released for free circulation in Greece, and another part is reconsigned to Italy to be released for free circulation there.

See guidance on replacement certificates for further details:

https://taxation-customs.ec.europa.eu/system/files/2016-09/movement_certificates_en.pdf

b) Customs union documents in trade with Andorra

Legal references:

- Agreement in the form of an Exchange of Letters between the European Economic Community and the Principality of Andorra[26], Article 2 of Council Regulation (EC) No 2302/2001 of 15 November 2001[27] and Articles 28 and 29 of Decision No 1/2003 of the EC-Andorra Joint Committee of 3 September 2003.
- Movement of goods between the EU and Andorra: rules related to the transit procedure are applied as laid down in the UCC legal framework to the goods mentioned in Article 27 of Decision No 1/2003.

[26] Agreement in the form of an Exchange of Letters between the European Economic Community and the Principality of Andorra, OJ L 374/ 14 of 31.12.1990.

[27] Council Regulation (EC) No 2302/2001 of 15 November 2001 on the detailed rules for applying Article 12(2) of the Agreement in the form of an Exchange of Letters between the European Economic Community and the Principality of Andorra, OJ L 310, 28.11.2001, p. 1.

The documents proving the customs status of the goods in free circulation are a transit accompanying document (T1, T2 and T2F) or a proof of the customs status of Union goods (T2L and T2LF) or a document having equivalent effect[28].

Further information on the transit documents and the proofs of the customs status can be found in the Transit Manual:

https://taxation-customs.ec.europa.eu/customs-4/customs-procedures-import-and-export-0/what-customs-transit/union-and-common-transit_en

Preferential tariffs apply to tobacco products of HS headings 24.02 and 24.03 manufactured in the EU from raw tobacco in free circulation, if those are accompanied by a certificate set out in the Annex to Council Regulation (EC) No 2302/2001 of 15 November 2001.

c) Customs union documents in trade with San Marino

Legal reference:

- Interim agreement on trade and customs union between the EEC and the Republic of San Marino[29].
- Articles 1, 3 and 4 of Decision No 4/92 of the EEC-San Marino Co-operation Committee of 22 December 1992 concerning certain methods of administrative co-operation for implementation of the Interim Agreement and the procedure for forwarding goods to the Republic of San Marino[30].
- Agreement on cooperation and customs union between the EEC and the Republic of San Marino[31].
- Movement of goods between the EU and San Marino: rules related to the transit procedure are applied as laid down in the UCC legal framework in accordance with Article 3 of Decision No 4/92.

The documents proving the customs status of the goods in free circulation are a transit accompanying document (T2, T2F or T2SM) or a proof of the customs status of Union goods (T2L, T2LF, and T2LSM) or a document having equivalent effect[32].

Information on the transit documents and the proofs of the customs status can be found in the Transit Manual:

https://taxation-customs.ec.europa.eu/customs-4/customs-procedures-import-and-export-0/what-customs-transit/union-and-common-transit_en

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28 Article 124a and following UCC DA.
29 OJ L 359, 9.12.1992, p. 14.
30 OJ L 42, 19.2.1993, p. 34.
31 OJ L 84, 28.3.2002, p. 43.
32 Article 124a and following UCC DA.

COUNTRY	TYPES OF CUSTOMS UNION DOCUMENTS	VALIDITY PERIOD (Months)	EXEMPTIONS FROM DOCUMENTATION		LEGAL BASIS
			Small Packages (EUR)	Personal Luggage (EUR)	
Türkiye (TR) HS-Chapters 1 to 97 except ECSC products and agricultural products, as defined in Annex I of the Amsterdam Treaty	A.TR Movement Certificate (proof of the customs status "free circulation")***)**	4	NO LIMIT	NO LIMIT	L 265/26-09-2006
Andorra (AD) HS Chapters 25 to 97	Transit declarations T1, T2, T2F; Proof of customs status of union goods T2L or T2LF or a document having equivalent effect		-	-	L 374/31-12-1990 L 253/07-10-2003
San Marino (SM) Chapters 1 to 97 except ECSC products	Transit declarations T2, T2F, T2SM; Proof of customs status of union goods T2L, T2LF or T2LSM or a document having equivalent effect		-	-	L 84/28-03-2002 L 42/19-02-1993 L 359/09-12-1992

***) EU – Türkiye Customs Union**: Postal consignments (including postal packages) shall benefit from the provisions on free circulation without requiring the certificate (A.TR), provided there is no indication by means of a specific yellow label affixed by the competent authorities of the exporting country on the packing or on the accompanying documents that the goods contained therein do not comply with the conditions of free circulation.

B.12. Unit of qualification

This section contains an explanation of the unit of qualification that is the basis for determining the product for which the rules of origin apply.

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1) Introduction

In order to determine the unit of qualification of a product, classification of the product in the Harmonized System must first be established.

2) General overview

Legal references – examples

- Article 44 of the EU-UK TCA
- Article 8 of the EU-Canada CETA origin protocol
- Article 7 of the EU-Korea FTA

Each originating product, as classified in the HS as the basic unit, needs to fulfil the rules of origin.

Example 1: EU-UK TCA – TVs (HS heading 85.28)

A consignment of 50 identical TVs are exported from the EU to the UK. Each individual TV needs to be taken into account for origin purposes. If 5 TVs are of Chinese origin and 45 TVs are of EU origin then only the EU TVs can obtain preferential tariff treatment.

It is important to distinguish between an individual product and a processed packed product. For instance, for tomatoes, fresh or chilled, to be originating each individual tomato of e. g. 10 tons exported needs to be originating. However, if the product is a can of prepared tomatoes, the unit of qualification is not each individual tomato in the can but the can of tomatoes. In that case, the list rules may allow through the tolerance rule an amount of non-originating materials in the canned product, as this is a processed product.

Example 2: EU-Canada CETA – Tomatoes (HS heading 07.02)

HS code 0702 covers "Tomatoes, fresh or chilled".

The EU-Canada CETA list rule for tomatoes of HS heading 0702 is "Production in which all the material of Chapter 7 used is wholly obtained".

Wholly obtained products in HS heading 0702 are defined in the wholly obtained article 4.1(b) of the EU-Canada CETA origin protocol as "vegetables, plants, and plant products harvested or gathered there". In a consignment of 6 tonnes of tomatoes, placed in boxes for shipment, exported to Canada, each individual tomato is the unit of qualification. They are originating products (wholly obtained) as each individual tomato is wholly obtained in the EU as they are all harvested there.

Example 3: EU-Canada CETA – Canned tomatoes (HS sub-heading 2002.10)

HS sub-heading 2002.10 covers "Tomatoes, whole or in pieces, prepared or preserved otherwise than by vinegar or acetic acid". (Canned tomatoes).

The EU-Canada CETA list rule for products of HS sub-heading 2002.10 is "A change from any other heading, in which all the material of Chapter 7 used is wholly obtained".

The unit of qualification in this case is the can of tomatoes. However, non-originating tomatoes classified in HS chapter 7 can be used in the canned tomato product, provided they are within the tolerance rule of 10% of the value of the ex-works price of the can of tomatoes.

The unit of qualification to determine the individual product is important in the rules of origin, not only to determine the origin of that product, but also for the application of certain rules of origin such as tolerance.

Example 4: EU-Korea FTA – Bag of sweets (HS heading 1704)

Sweets of HS heading 1704 are produced in the EU and have EU origin. Lollypops, originating in the US of HS heading 1704 are then put together in plastic bags for retails sale with the EU originating sweets and sent to Korea.

The rule for 1704 in the EU-Korea FTA is:

Manufacture from materials of any heading, except that of the product, and in which the value of all the materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product.

The unit of qualification is the bag of sweets. The value of lollypops is less than 10% of the ex-works price of the bag of sweets and therefore is below the tolerance threshold. In this case, the bag of sweets is originating in the EU.

The individual "unit of qualification" for classification purposes would be the container, packaging etc. in which a product is presented to customs. For products like sugar, the unit of qualification is the packed product, for instance the 1 kg bag of sugar, or it could be a bulk container of 1 000 kg.

B.13. Neutral elements

This section explains the preferential treatment of neutral elements when determining the origin of a product.

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1) Introduction

Neutral elements are used in the production, testing or inspection of a product but are not physically incorporated into the product by themselves, and hence disregarded in the determination of the origin of the product.

2) General overview

Legal references – examples

- Article 10 of Appendix I to the PEM Convention
- Article 3.13 of the EU-Japan EPA
- Article 49 of the EU-UK TCA

In each preferential arrangement there is a definition of neutral elements. The following definition of neutral elements is one typically found in preferential arrangements:

In order to determine whether a product is an originating product, it shall not be necessary to determine the origin of the following elements which might be used in its manufacture:

a) energy and fuel;

b) plant and equipment;

c) machines and tools;

d) goods which neither enter into the final composition of the product nor are intended to do so.

These neutral elements, such as energy, machines or safety equipment used during the production, testing or inspection of a product, or materials which are not incorporated, nor intended to be incorporated in the final product shall not be taken into consideration when assessing the originating status of the final product.

Example 1: EU-Japan EPA – Wine in bottles (HS heading 2204)

In France a winegrower produces wine, fills it into bottles and exports the wine to Japan. The wine is produced from grapes grown in France. However, during the production of the wine bentonite - an auxiliary substance to remove the turbidity in the wine – is also used, which is imported from the US.

According to the EU-Japan EPA statement on origin, the origin criterion used has to be indicated.[33] The exporter would like that the product is considered as wholly obtained in the EU and consequently that origin criterion "A" for wholly obtained products can be indicated on the statement on origin.

Since the bentonite is filtered out at the end of the production process, it is not present in the final product. Therefore, it is considered as a neutral element according to Article 3.13 of the EU-Japan EPA. This means that when determining whether the wine produced was wholly obtained in the EU the bentonite used in the production does not need to be taken into account.

Besides, according to Article 3.15 (1) of the EU-Japan EPA, the bottles in which the wine is filled in for retail sale can be disregarded in determining whether the product is wholly obtained.

Consequently, the wine in bottles exported to Japan is wholly obtained in the EU and the origin criterion "A" can be indicated on the statement on origin.

Example 2: EU-Colombia-Peru-Ecuador Trade Agreement (HS heading 8428)

A loading crane of HS heading 8428 is manufactured in the EU from originating and non-originating materials. It is manufactured using Swiss machinery and tools. A list rule for a loading crane requires:

"Manufacture in which the value of all the [non-originating] materials used does not exceed 30% of the ex-works-price of the product"

The ex-works price of the loading crane includes the following elements:

Crane parts (EU-origin)	*value*	*40 000 EUR*
Engine (non-EU-origin)	*value*	*20 000 EUR*
Steel rope (non-EU-origin)	*value*	*10 000 EUR*
Proportionate costs for Swiss machinery and tools	*value*	*1 000 EUR*
Salaries, Profit and other costs	*value*	*29 000 EUR*
Ex-works price		*100 000 EUR*

In calculating whether the 30% value limit for non-originating materials is met, the producer does not need to add a cost element attributable to the Swiss machinery and tools. In fact, that cost is an overhead cost and as such will be considered in the ex-works price for the loading

[33] See EU-Japan EPA Guidance Statement on Origin: https://taxation-customs.ec.europa.eu/system/files/2019-12/eu-japan-epa-guidance-statements-on-origin.pdf

crane. However, those cost for neutral elements are not considered as materials (neither originating nor non-originating) in the origin calculation. As a result, the respective overhead costs for the Swiss machinery and tools are disregarded when calculating the value of non-originating materials, although they are part of the ex-works price.

Therefore, the loading crane is exported to the Andean countries as EU originating since the value of non-originating materials (engine and steel rope = EUR 30 000) does not exceed 30% of the ex-works price.

B.14. Accessories, spare parts and tools

This section explains under which circumstances accessories, spare parts and tools shall be regarded as one with the piece of equipment, machine, apparatus or vehicle they are dispatched with when applying the list rules.

1) Introduction

Machinery and equipment are often sold with accessories, spare parts or tools which are needed for their operation or maintenance. The respective legal frameworks define cases where such items shall be considered as part of the main product and no account will be taken of them in their own right for the origin determination and the application of the list rules.

2) General overview

Under most preferential arrangements accessories, spare parts and tools are considered as part of the main product, provided that they are:

- dispatched together with the product;
- parts of the normal equipment of a good;
- not invoiced separately;
- classified under the same tariff heading as the product; and
- their quantity and value are customary for that product.

An example of a product which contains an accessory, a spare part and a tool is a car which usually has a spare tire (spare part), jack and bolt wrench (tools) and a warning triangle (accessory). The provisions cover also any instructional materials like manuals which are delivered along with the product.

Therefore, in determining the originating status of the product where accessories, spare parts or tools are non-originating:

- in case of a change in tariff classification rule, it shall be verified whether those items are classified in the same chapter, tariff heading or tariff sub-heading as the product;
- in case of a value or weight limitation rule, the value or weight of those items shall be added to the value or weight of the non-originating materials;
- in case of a specific working or processing rule, it shall be verified if the rule is met when those items are regarded as one with the product in question.

The general tolerance rule applies to the product and therefore would also apply to the accessories, tools and spare parts which are considered as one with the product.

Example 1. EU-Colombia-Peru-Ecuador Trade Agreement – Motor boat

A large motorboat of tariff heading 8903 is manufactured in France from components originating in the EU and sold for export to Colombia. The motor boat includes a small inflatable motorised lifeboat, also classified under HS heading 8903 with Chinese origin, and a fire extinguisher of HS heading 8424 of Japanese origin. The lifeboat is considered an accessory to the large motorboat and has a value of EUR 1 500. The ex-works price of the large motorboat (including the value of accessories) is EUR 100 000.

The product specific rule of origin for motorboats in the EU-Colombia-Peru-Ecuador Trade Agreement is a change in tariff heading rule: "Manufacture from materials of any heading, except that of the product. However, hulls of heading 8906 may not be used".

The non-originating lifeboat is classified within the same tariff heading as the finished product, but the value is lower than the 10% general tolerance. The rule of origin is therefore fulfilled and the large motorboat, including the lifeboat as an accessory, will therefore obtain EU preferential origin on export to Colombia.

A fire extinguisher of HS heading 8424 is a different heading to the motorboat of HS heading 8903. In this case as the non-originating fire extinguisher is classified in another heading to that of the product, the rule of origin is fulfilled.

3) Particularities

In the EU-**Japan EPA, in the EU-Canada CETA and in the EU-UK TCA**, respectively, accessories, spare parts and tools shall be disregarded in determining the origin of the product, except for the purposes of calculating the value of non-originating materials if a product is subject to a maximum value of non-originating materials. This means that accessories, spare parts and tools shall not be taken into account if the rule of origin is based on a change in tariff classification or in case of specific working or processing rules.

Example 2. Determining the origin of accessories, tools and spare parts on export

The product specific rule of origin in EU-UK-TCA for electric lawn mowers of tariff heading 8433 is a change of tariff heading (CTH). The alternative rule is a maximum value of 50% for non-originating materials (MaxNom) calculated based on the ex-works price.

Company A produces robot lawn mowers in Finland by purchasing components from Taiwan, China and Japan and a separate charger station from Germany. The product also includes 250 meters of guiding wire, basic tools for cleaning and maintenance and an instruction manual that are all purchased from China. After final assembly in Finland, the product is sold to the UK with an ex-works price of EUR 1 000.

a) Determining the origin by the rule of change of tariff heading

The rule of change of tariff heading concerns only items which are non-originating and therefore the charger station is not taken into account, as it is EU originating. In addition when Article 46 of the EU-UK TCA concerning the treatment of accessories, tools and spare parts in determination of origin is applied, the guiding wire, tools and instruction manual from China are not taken into account either. The non-originating components to be taken into account are only the lawn mower components from Taiwan, China and Japan, but since they are not classified in the same tariff heading as the final product, the lawn mower is considered having obtained EU preferential origin when exported to the UK.

b) Determining the origin by the alternative 50% MaxNom rule

The lawn mower charger is not taken into account, because it is originating in the EU. Non-originating components from Taiwan, China and Japan, with a total value of EUR 500 are taken into account when calculating the value share of non-originating materials.

In addition the guiding wire, tools and instruction manual from China must be taken into account with their total value of EUR 20.

The lawn mower does not fulfill the alternative rule because the total value of all non-originating materials amounts 52% of the ex-works price (EUR 1 000) of the final product.

In the **Revised PEM Convention** there is no separate article on the treatment of accessories, spare parts and tools, yet the treatment of those items is included in the article on the unit of qualification.

B.15. Packing for shipment and packaging for retail sale

This section contains an explanation of the application of packing materials for shipment and packaging for retail sale, respectively, and describes in what circumstances these materials can be disregarded or need to be taken into account for determining the origin of products.

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1) Introduction

EU preferential arrangements usually contain provisions concerning packing for shipment and packaging for retail sale, respectively, specifying when those materials can be disregarded or need to be taken into account in determining the origin of a product.

2) General overview

a) Packing materials for shipment

Packing materials for shipment concern materials that are used to protect a product in the course of transportation. They are not part of the product, and therefore are disregarded in determining whether the transported product is originating or not.

b) Packaging materials for retail sale

Packaging materials for the retail sale of a product may be considered as part of the product or as a separate product itself.

First, it needs to be determined whether the packaging for retail sale is considered as part of the product or not based on the General rules for the interpretation of the Harmonized System (GIRs), only then the rules of origin can be applied to the packaging materials of the product as the case may be.

i. Packaging not considered as part of the product

Where packaging materials such as plastic bags, cardboard boxes, packing foam, bottles are clearly suitable for repetitive use e.g. certain metal drums or containers of iron or steel for compressed or liquefied gas, then they may be treated as different to the product.

Where the packaging for the retail sale of a product is considered as distinct from the product itself, no account needs to be taken of the originating status of the packaging material in determining the origin of the product. This depends on whether the packaging gives the product its essential character rather than the product contained within the packaging. Where this is the

case, the product is classified under the tariff heading of the packaging. Therefore, for the product (the packaging and the product in the packaging) to benefit from preferential tariffs it needs to fulfil the list rule of the packaging.

***Example 1**: EU-UK TCA - Silver caddy (box or container) containing tea*

The rule for the silver tea caddy (HS heading 71.14) requires:

Change of Tariff Heading (CTH)

The silver tea caddy is manufactured in the EU and fulfils the rule of origin as all non-originating materials are classified in a heading other than that of the silver tea caddy. The product is filled with non-originating tea from India. The product is originating when exported to the UK as the rule of origin is fulfilled.

ii. Packaging considered as part of the product

In general, packing materials and packing containers presented with the goods are classified with the goods if they are of a kind normally used for packing such goods (Rule 5(b) for the interpretation of the Harmonized System). This means that the normal non-reusable cardboard boxes, plastic wrappings, etc. that come with a product are classified with the product.

For other types of packaging materials which are suitable for long-term use and presented with the products for which they are intended, e.g. camera cases, musical instrument cases etc., these are classified with the product when usually sold together.

To determine in specific cases whether the packaging is part of the product the following factors, as mentioned in Rule 5a for the Interpretation of the Harmonized System, need to be taken in to consideration.

i) Specifically shaped to fit the product;

ii) Suitable for long-term use;

iii) Presented with the product (not separately);

iv) Normally sold with the product;

v) Do not change the essential character of the product.

Further examples of products that fulfil the above criteria are:

(1) Jewellery boxes and cases (heading 71.13);

(2) Electric shaver cases (heading 85.10);

(3) Binocular cases, telescope cases (heading 90.05);

(4) Musical instrument cases, boxes and bags (e.g., heading 92.02);

(5) Gun cases (e.g., heading 93.03).

Where the packaging for retail sale is considered as part of the product then the respective preferential arrangement indicates under what circumstances the originating status of the packaging material needs to be taken into account in determining the originating status of the product. The type of the list rule being used to determine the origin of the product dictates whether the packaging material needs to be taken into account or not.

(1) Value added rule

Where a value added rule is used to determine the origin of the product, the originating status of the packaging material needs to be taken into account in that determination.

Example 2: EU-UK TCA – Toothbrush wrapped in plastic with a cardboard backing

A rule for the toothbrush (HS heading 96.03) requires:

MaxNom 50% ex-works

The toothbrush is produced in the EU and contains non-originating materials representing 48% of the ex-works price of the product. The packaging is imported from China and represents 5% of the ex-works price of the product. In total, the value of the non-originating materials in the packed toothbrush represent 53% of the ex-works price of the product, and therefore the product is not originating.

(2) List rule other than value added rule (e.g. change of classification, process rule)

Where the list rule used to determine the origin of the product is based on a change of tariff classification, a process rule or the wholly obtained rule, the packaging for retail sale does not need to be taken into account in that determination.

Example 3: EU-UK TCA - Electric shaver packed in a cardboard box

A rule for an electric shaver (HS heading 85.10) requires:

Change of Tariff Heading (CTH)

The non-originating materials used to make an electric shaver all come from HS headings other than that of the product (HS heading 85.10) and therefore the product fulfils the rule of origin. The cardboard box packaging imported from the USA can be disregarded in determining the origin of the product as the EU-UK TCA only requires packaging to be taken into account when the list rule is based on a value added rule (Article 46).

3) Particularities

The wording of the respective provisions in preferential trade arrangements may differ, nonetheless, the interpretation of the legal text will be the same irrespective of the precise wording used in the preferential arrangement.

The more recent preferential trade arrangements, like e.g. the EU-Japan EPA, clearly state that the packaging for retail sale is only taken into account for determining the origin of the product when the list rule is based on the value of non-originating materials used. However, older preferential arrangements, like e.g. the EU-Central America Association Agreement, state that the packaging shall be included for the purposes of determining origin without limiting the retail packaging only to the value rule. Other agreements, like e.g. the EU-Colombia-Peru-Ecuador Trade Agreement, provide additional clarifications such as "[w]hen the products qualify as wholly obtained, the packaging shall not be taken into consideration for the purposes of determining origin."

In general, the interpretation will be as follows: in the calculation of the value rule of non-originating materials, the value of non-originating packaging materials used for retail sale when classified with the product need to be taken into account. For the other rules, such as a change in tariff classification, process rules or wholly obtained, it can be disregarded.

B.16. Duty drawback

This section explains duty drawback, when it is not allowed and how prohibition of duty drawback applies.

1) Introduction

Drawback of or exemption from customs duties at re-exportation allows materials, which would be subject to customs duties or charges in the EU, to be used duty-free or with partial duties in manufactured goods to be exported to a third country.

Certain preferential trade arrangements prohibit the drawback of or exemption from customs duties on imported materials used in the production of products exported under preference. That means that in those cases customs duties for the imported materials may not be suspended or the materials may not be exempted from customs duties in the EU, and any duties on these imported materials must be paid if a document on origin is made out or issued.

2) General overview

In the EU, the most common practical use of duty drawback or exemption is under inward processing.

Where there is a prohibition of duty drawback the exporter has the choice of:

a) Making out a document on origin and paying any import duties on the used materials that were placed under the inward processing procedure at entry in the EU

   Where there is a preferential duty rate to be paid on the used materials, this needs to be paid under the prohibition of duty drawback and not the MFN rate.

b) Releasing for free circulation the product processed under inward processing, paying any duties on the product or the used materials and then making out or requesting the issue of a document on origin

c) Exporting the goods without making out or requesting the issue of a document on origin and having any duties suspended on the used materials that were placed under the inward processing procedure at entry in the EU

If equivalent goods are used in inward processing, then a document on origin cannot be made out or issued (Article 223(3b) UCC). Therefore, options a) and b) above cannot be applied.

Example 1: Duty drawback prohibited

EU-Canada CETA – tennis shoes (HS heading 64.04)

The rule for tennis shoes requires:

"A change from any other heading, except from assemblies of uppers affixed to inner soles or to other sole components of heading 64.06."

Cotton fabric is imported in to the EU from China under inward processing and therefore the duties are suspended (HS heading 52.09 EU duties of 8% apply). The fabric is cut and attached to originating soles in the EU to make tennis shoes. The tennis shoes are exported to Canada and an origin declaration is made out by the exporter.

As there is a prohibition of duty drawback in the EU-Canada CETA, as from 2020, import duty becomes payable in the EU on the used cotton fabric from China.

Example 2: Duty drawback allowed

EU-UK TCA – cotton fabric (HS heading 52.09)

A rule for cotton fabric requires:

"Weaving combined with printing"

Cotton yarn is imported in to the EU from the USA under inward processing and therefore the duties are suspended (HS heading 52.05 EU duties of 4% apply). The yarn is woven and printed to make cotton fabric in the EU. The cotton fabric is exported to the UK and a document on origin is made out by the exporter.

As there is no prohibition of duty drawback in the EU-UK TCA, no duty is payable in the EU on the imported cotton yarn.

- **Duties covered by the prohibition of the drawback rule**

The prohibition of the drawback rule applies to duties which are due for the non-originating goods when put into free circulation. The duties must be paid and may at no time be waived or refunded and a proof to that effect must be made available to customs upon request. The rule covers not only customs duties, antidumping duties, safeguard measures and countervailing measures, but also other charges having equivalent effect, except where otherwise indicated in the respective agreement (e.g. EU-Mexico Agreement).

- **Situations outside the scope of the prohibition of the duty drawback:**

Duties not levied on goods on the basis of tariff suspension, tariff quotas, preferential arrangements or end-use are not covered by the prohibition of duty drawback.

3) Particularities

a) Pan-Euro-Mediterranean zone

In the case of the prohibition of duty drawback under the PEM Convention or the PEM Transitional rules specific guidance can be found at:

"*A User's Handbook: to the Rules of Preferential Origin used in trade between the European Community, other European Countries and the countries participating to the Euro-Mediterranean Partnership*"

https://taxation-customs.ec.europa.eu/system/files/2016-09/handbook_en_0.pdf

"*Guidance: Transitional PEM Rules of Origin*"

"*Guidance: Revised PEM rules of origin*"

https://taxation-customs.ec.europa.eu/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en

b) Anti-dumping duties and countervailing duties

Where there is a prohibition of duty drawback, in certain preferential arrangements anti-dumping duties and countervailing duties must also be paid on non-originating materials imported and subsequently used in originating products exported under preference. For details on which preferential arrangements are applicable see Annex 7.

Annex 7: Duty drawback

Preferential arrangements	Legal basis	Prohibition of Duty drawback	Duties prohibited	Particularities
Algeria	Euro-Mediterranean Association Agreement - Protocol 6 – art 15	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition applies to all non-originating materials used. The prohibition shall apply to products falling within Chapter 3 and headings 1604 and 1605 of the Harmonised System for products originating in the Community within the meaning of Article 2(1)(c) of Protocol No 6. The prohibition shall not apply where, without the application of cumulation with materials originating in one of the other countries referred to in Articles 3 and 4, the products are considered as originating in the Community or Algeria.
Andean Countries	Trade Agreement - Annex II	No		
Andorra (Agricultural products)	Appendix to the Agreement - Decision No 1/2015 of the EU-Andorra Joint Committee art 13	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition applies to all non-originating materials used for goods of chapters 1 to 24
	Article 3 of Regulation (EC) No 2302/2001		Customs duties or charges having equivalent Anti-dumping and countervailing duties included	The prohibition shall apply to unprocessed tobacco (tobacco goods of heading 2402 and 2403) in free circulation used in the manufacture of the processed products.
Cameroon (imports to Cameroon) **For** **imports to EU, see Market Access Regulation decision below)**	Decree No 2016/367 of 3 August 2016 of the Republic of Cameroon	No		
Canada	Comprehensive Economic and Trade Agreement (EU-Canada CETA) - Protocol Article 2.5	Yes	Customs duty Excludes anti-dumping or countervailing duties	The draw-back prohibition applies from 21 September 2020

Preferential arrangements	Legal basis	Prohibition of Duty drawback	Duties prohibited	Particularities
CARIFORUM	Economic Partnership Agreement - Protocol I	No		
Central America	Association Agreement - Annex II	No		
Ceuta and Melilla	Council Regulation (EC) No 82/2001 of 5/12/2000 Art 15	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition applies to all non-originating materials used. The prohibition shall apply to products falling within Chapter 3 and headings 1604 and 1605 of the Harmonised System for products originating in the Community within the meaning of Article 2(1)(c) of the Regulation The provisions on duty drawback prohibition shall not preclude the application of an export refund system for agricultural products, applicable upon export.
Chile	Interim Trade Agreement - Chapter 3, Annexes 3-A to 3-E	No		
Côte d'Ivoire	Stepping stone Economic Partnership Agreement – Decision 2/2019 of the EPA Committee - Protocol 1	No		
ESA	Interim Agreement establishing a framework for an Economic Partnership Agreement – Amended Protocol 1	No		
Generalised Scheme of Preferences (GSP)	Commission Delegated Regulation (EU) 2015/2446 of 28/07/2015 (UCC - DA) - Commission Implementing	No		

Preferential arrangements	Legal basis	Prohibition of Duty drawback	Duties prohibited	Particularities
	Regulation (EU) 2015/2447 of 24/11/2015 (UCC-IA)			
Ghana	Stepping stone Economic Partnership Agreement – Decision 1/2020 of the EPA Committee - Protocol 1	No		
Israel	Euro-Mediterranean Association Agreement - Protocol 4 Article 2(1)(c)	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition applies to all non-originating materials used. The prohibition shall apply to products falling within Chapter 3 and headings 1604 and 1605 of the Harmonised System for products originating in the Community within the meaning of Article 2(1)(c) of Protocol No 4.
Japan	Economic Partnership Agreement - Annex 3A	No		
Korea	Free Trade Agreement - Protocol	No		
Western Balkans - Autonomous measures	Commission Delegated Regulation (EU) 2015/2446 of 28/07/2015 (UCC - DA) - Commission Implementing Regulation (EU) 2015/2447 of 24/11/2015 (UCC-IA)	No		
Lebanon	Euro-Mediterranean Association Agreement - Protocol 4	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition applies to all non-originating materials used.

Preferential arrangements	Legal basis	Prohibition of Duty drawback	Duties prohibited	Particularities
Market Access Regulation decision	Regulation (EU) 2016/1076 of the European Parliament and of the Council of 8/6/2016 - Annex II	No		
Mexico	Decision No 2/2000 of the EC-Mexico Joint Council - Annex III Art 14	Yes	Customs duties, and anti-dumping and countervailing duties	
Morocco	Euro-Mediterranean Association Agreement - Protocol 4	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition applies to all non-originating materials used. The prohibition shall apply to products falling within Chapter 3 and headings 1604 and 1605 of the Harmonised System for products originating in the Community within the meaning of Article 2(1)(c) of Protocol No 4. The prohibition in paragraph 1 shall not apply if the products are considered as originating in the Community or Morocco without application of cumulation with materials originating in one of the other countries referred to in Articles 3 and 4.
New Zealand	Free trade agreement – Chapter 3	No		
Overseas Countries and Territories (OCTs)	Council Decision EU/2021/1764 of 5/10/2021 - Annex II	No		
Pacific States	Interim Partnership Agreement - Protocol II	No		
PEM Convention	Regional Convention on pan-Euro-Mediterranean preferential rules of origin - Appendix I Art 14	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition applies to all non-originating materials used. The prohibition shall not apply in bilateral trade between one of the Contracting Parties referred to in Article 3(1) with one of the Contracting Parties referred to in Article 3(2), excluding Israel, the Faroe Islands and the participants in the European

Preferential arrangements	Legal basis	Prohibition of Duty drawback	Duties prohibited	Particularities
				Union's Stabilisation and Association Process, if the products are considered as originating in the exporting or importing Contracting Party without application of cumulation with materials originating in one of the other Contracting Parties referred to in Article 3. The prohibition shall not apply in bilateral trade between Egypt, Jordan, Morocco and Tunisia, if the products are considered as originating in one of these countries without application of cumulation with materials originating in one of the other Contracting Parties referred to in Article 3.
PEM Transitional rules	Appendix A art 16) to revised agreements between the EU and some PEM contracting parties (see list below in footnote)	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition shall apply to non-originating materials used in a Party in the manufacture of products originating in Chapters 50 to 63 of the Harmonised System. The prohibition shall not apply to trade between the Parties for products that obtained originating status by application of cumulation of origin covered by Article 7(4) or (5).
Revised PEM Convention	PEM JC Decision No 1/2023 of 07/12/2023 - Appendix I	Yes	Customs duties or charges having an equivalent effect	The prohibition shall apply to non-originating materials used in a Party in the manufacture of products originating in Chapters 50 to 63 of the Harmonised System. The prohibition shall not apply to trade between the Parties for products that obtained originating status by application of cumulation of origin covered by Article 7(4) or (5).
SADC	Economic Partnership Agreement - Protocol I	No		
Singapore	Free Trade Agreement – Protocol 1 Art 15	Yes	Customs duties Excludes antidumping or countervailing duties	The prohibition applies to all non-originating materials used.
Syria	Cooperation Agreement - Protocol 2	No		

Preferential arrangements	Legal basis	Prohibition of Duty drawback	Duties prohibited	Particularities
Türkiye (ECSC products)	Agreement between the European Coal and Steel Community and the Republic of Turkey on trade in products covered by the Treaty establishing the European Coal and Steel Community Article 15 Protocol 1	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition shall apply to all non-originating materials used which are covered by the Agreement in accordance with Article 2 of the Agreement.
Türkiye (agricultural products)	Decision No 3/2006 of the EC-Turkey Association Council, of 19 December 2006, amending Protocol 3 to Decision No1/98 of the EC-Turkey Association Council of 25 February 1998 on the trade regime for agricultural products - Protocol 3 Art 15 Protocol 3	Yes	Customs duties or charges having an equivalent effect Anti-dumping and countervailing duties included	The prohibition shall apply to all non-originating materials used which are covered by the Agreement in accordance with Article 2 of the Decision The prohibition shall apply to products falling within Chapter 3 and headings 1604 and 1605 of the Harmonised System for products originating in the Community within the meaning of Article 2(1)(c) of Protocol No 1. The prohibition shall not preclude the application of an export refund system for agricultural products
United Kingdom (including Channel Islands and the Isle of Man) **(Excluded: Gibraltar and the UK OCTs)**	Trade and Cooperation Agreement	No		
Vietnam	Free Trade Agreement – Protocol 1	No		

Andean Countries: Colombia, Ecuador and Peru
CARIFORUM: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, Trinidad and Tobago
Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama
ESA: Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe
Market Access Regulation: Cameroon (importations from Cameroon to the EU) and Kenya

Overseas Countries and Territories: Greenland, New Caledonia and dependences, French Polynesia, French Southern and Antarctic Territories, Wallis and Futuna Islands, Saint Pierre and Miquelon, Saint-Barthelemy, Aruba and Netherlands Antilles
PEM Convention: Albania, Bosnia and Herzegovina, Egypt, Faroe Islands, Georgia, Iceland, Jordan, Kosovo*, Liechtenstein, Montenegro, North Macedonia, Norway, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Republic of Moldova, Serbia, Switzerland, Türkiye and Ukraine.
PEM Transitional rules and Revised PEM Convention – applying contracting parties: see https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en
SADC: Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland
Pacific States: Fiji, Papua New Guinea, Samoa and Solomon Islands
* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

B.17. Sets

This section contains an explanation on how the origin can be obtained in the cases of sets.

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1) Introduction

There are two different types of sets which have a different treatment for determining preferential origin:

i) The first type is 'sets' which are to be classified by virtue of Rules 1 and 6 for the Interpretation of the Harmonized System when the term 'set' is used in the wording of a CN code, for example products classified in the tariff heading code 6308 - Sets consisting of woven fabric and yarn […] put up in packings for retail sale. For this type of sets, the product specific rules of origin apply. The definition of the second type of sets can be found in the Rule 3 for the Interpretation of the Harmonized System. In the meaning of this rule, goods put up in sets for the purpose of retail sale are goods which:

- consist of at least two different articles which are, *prima facie*, classifiable in different tariff headings;
- consist of products or articles put up together to meet a particular need or carry out a specific activity; and
- are put up in a manner suitable for sale directly without repacking.

Guidelines on the classification in the Combined Nomenclature of goods put up in sets for retail sale can be found under the following link:

EUR-Lex - 52013XC0411(01) - EN - EUR-Lex (europa.eu) (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.C_.2013.105.01.0001.01.ENG&toc=OJ%3AC%3A2013%3A105%3ATOC)

Articles put up in "sets" which do not fall under one of the previous categories shall not be treated as "sets" for origin determination purposes. For example, in case of a bathroom set consisting of a shower gel, soap, body lotion and slippers, each article must be classified separately, as the slippers do not meet the same particular need as the other articles. Consequently, origin also needs to be determined for each individual article separately.

2) General overview

Legal references - Examples:

- Article 10 of Annex III to Decision No 2/2000 of the EC-Mexico Joint Council
- Article 9 of the EU-Singapore FTA
- Article 48 of the EU-UK TCA
- Article 10 of Appendix I of the Revised PEM Convention
- EU GSP: Articles 51 and 66 UCC-DA

In this part, only the origin rules for the sets defined in the Rule 3 for the Interpretation of the Harmonized System are set out. Specific provisions on sets are included in all EU preferential arrangements.

A set is originating when all its articles are originating. Each article must be wholly obtained or fulfil the list rules for the heading under which it would have been classified if it were a separate product and not included in a set. This is regardless of the heading under which the whole set is classified in accordance with the text of the GIR referred to above. The product specific list rule of the tariff heading in which the set as a whole is classified cannot be applied for determining the origin of the set.

Where a set is composed of originating and non-originating articles, the set as a whole can still be regarded as originating if the value of the non-originating articles does not exceed 15% of the ex-works price of the set.

Example: Revised PEM Convention – Winter set (HS heading 65.05)

A winter set comprises the following articles:

- *Hat of tariff heading 6505 of EU origin with a value of EUR 10*
- *Gloves of tariff heading 6116 of EU origin with a value of EUR 5*
- *Neck scarf of tariff heading 6117 of Chinese origin with a value of EUR 5*

The set has an ex works price of EUR 40 and is classified as a whole in tariff heading 6505 in accordance with the Rule 3 for the Interpretation of the Harmonized System. The set is to be exported to Switzerland.

The total value of the non-originating articles is 12,5% of the ex-works price of the set. Because the value of the non-originating articles does not exceed 15% of the ex-works price, the set is considered to be originating in accordance with Article 10 of Appendix I to Revised PEM Convention applicable between the EU and Switzerland.

3) Particularities

In the **EU-Japan EPA**, the 15% value threshold may be calculated on the ex-works price or on the free on board (FOB) price of the set.

In the **EU-Canada CETA**, a set is originating if all articles of the set are originating. However, there are different rules when a set contains at least one non-originating article.

In those cases, a set is originating when:

- at least one of the component products or all of the packaging material and containers for the set is originating; and
  - i) the value of the non-originating component products of HS Chapters 1 to 24 does not exceed 15 per cent of the transaction value or ex-works price of the set;
  - ii) the value of the non-originating component products of HS Chapter 25 to 97 does not exceed 25 per cent of the transaction value or ex-works price of the set; and
  - iii) the value of all of the set's non-originating component products does not exceed 25 per cent of the transaction value or ex-works price of the set.

See the EU-Canada CETA guidance:

https://taxation-customs.ec.europa.eu/system/files/2020-10/ceta_guidance_en.pdf

C. Verification

C.1. Verification process

This section refers to procedures for carrying out the verification process.

1) Introduction

The aim of the verification process is to ensure the proper application of a preferential tariff treatment by verifying the originating status of products, the authenticity of documents on origin and the fulfilment of other requirements of the preferential arrangement concerned.

The customs control process at import in relation to origin can be initiated at the clearance stage (Article 188 UCC), e.g. when the combination of the declared country of origin of the goods, the applied tariff measures and the type of document on origin are checked at the time of acceptance of the customs declaration, or at the post-clearance stage (Article 48 UCC), e.g. when the document on origin can be sent for verification.

Respective provisions of certain preferential arrangements stipulate that verifications are based on risk assessment which may include reasonable doubts on the originating status of products, the authenticity of documents on origin or the fulfilment of other requirements of the particular arrangement, and in addition random selection.

The Parties should carry out the verification using administrative cooperation between their competent authorities within the time period specified in the arrangement. Nonetheless, where a preferential agreement allows for the preferential tariff treatment to be based on the use of importer's knowledge, i.e., the importer has all the information to determine the origin of the product, the competent authority of the importing Party carries out the verification directly with the importer.

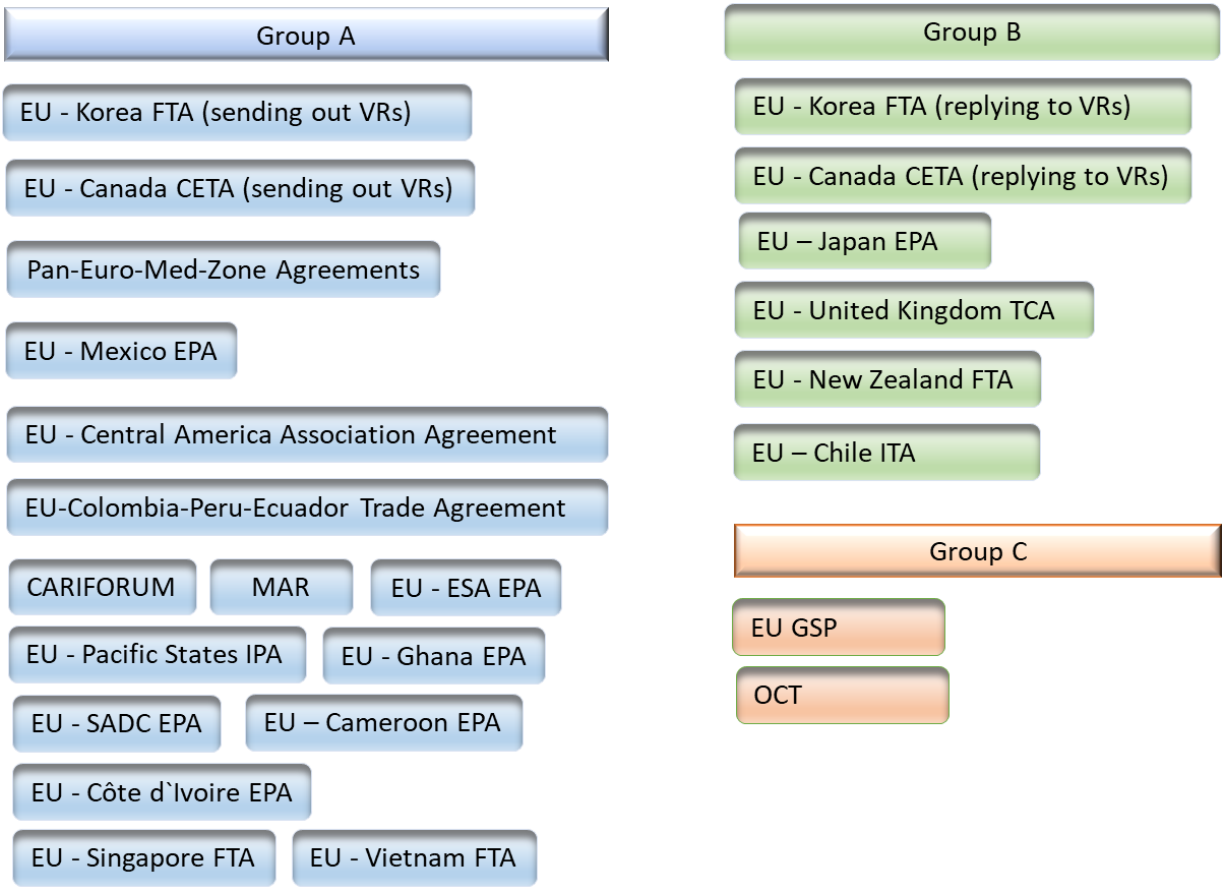
The respective provisions of preferential arrangements define the obligation to keep the documents on origin and all supporting documents for at least three years or longer, where required by the relevant preferential arrangement. Article 51 UCC requires that for the purpose of customs control the economic operators concerned shall keep the documents and information for at least three years.

Before starting the verification process, the Member States (as the importing Party) have to evaluate if the time period still allows for a verification to be done in the exporting Party. The elements to be considered are the record-keeping requirements, the enforcement of the customs

debt (Article 103(1) UCC) and any specific requirements in the respective agreement (e.g., 2-year period for sending of a verification request in EU-UK TCA).

2) General overview

The verification process and the responsibilities of the competent authorities depend on the preferential arrangement.



In general, the arrangements may be grouped as indicated above depending on several aspects: level of the involvement of the importer in the verification process, extent of information covered in the request and in the reply, acceptance of the decision of the exporting Party, type of proof of origin, including the use of importer's knowledge.

In the case of non-compliance with the requirements of preferential arrangements the Parties may impose administrative measures and penalties on the importer or exporter as appropriate.

According to Article 44 UCC, the importer has the right to appeal against any decision taken by the customs authorities of the Member States relating to the application of the customs legislation.

Annex 8: Administrative cooperation and related rules

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
UCC		OJ L269 of 10/10/2013	Articles 46, 47, 48	Article 51	3 years	Article 42	Article 12	No		Article 61
Algeria	Euro-Mediterranean Association Agreement - Protocol 6	OJ L297 of 15/11/2007, p. 3	Articles 32, 33	Article 29	At least 3 years	Article 35	No	Article 33	Maximum 10 months in case of reasonable doubts	No
Andean Countries	Trade Agreement - Annex II	OJ L354 of 21/12/2012, p. 3400	Articles 30, 31	Article 27	At least 3 years	Article 33	No	Article 31	Maximum 10 months in case of reasonable doubts	No
Andorra (Agricultural products)	Appendix to the Agreement - Decision No 1/2015 of the EU-Andorra Joint Committee	OJ L344 of 30/12/2015, p. 15	Articles 29, 30	Article 26	At least 3 years	Article 32	No	Article 30	Maximum 10 months in case of reasonable doubts	No
Cameroon (imports to Cameroon)	Decree No 2016/367 of 3 August 2016 of	Publication	Articles 33, 34	Article 28	At least 3 years	Article 37	No	Article 34	6 months in case of	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
To imports to EU, the Market Access Regulation applies	the Republic of Cameroon								reasonable doubts	
Canada	Comprehensive Economic and Trade Agreement - Protocol	OJ L11 of 14/01/2017, p. 465	Articles 28, 29	Article 26	3 years or for a longer period of time as the Party of export may specify	Article 31; Article 89 (3,4) UCC IA	Article 32	Article 29	12 months as of the date of the receipt of the request, may be extended by mutual consent of the customs authorities concerned	No
CARIFORUM	Economic Partnership Agreement - Protocol I	OJ L289 of 30/10/2008, p. 1805	Articles 33, 34	Article 29	At least 3 years	Article 37	No	Article 34	Maximum 10 months in case of reasonable doubts	No
Central America	Association Agreement - Annex II	OJ L346 of 15/12/2012, p. 2287	Articles 29, 30	Article 26	At least 3 years	Article 32	No	Article 30	Maximum 10 months in case of	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
									reasonable doubts	
Ceuta and Melilla	Council Regulation (EC) No 82/2001 of 5/12/2000	OJ L20 of 20/01/2001, p. 1	Articles 31, 32	Article 28	At least 3 years	Article 34	No	Article 32	Maximum 10 months in case of reasonable doubts	No
Chile	Interim Trade Agreement - Chapter 3, Annexes 3-A to 3-E	OJ L, 2024/2953 of 20.12.2024, p. 12	Articles 3.22, 3.23	Article 3.20	Minimum of 3 years from the date of the claim of preference - importer; minimum of 4 years after the making out the statement on origin - exporter	Article 3.28	Article 3.26	Article 3.25	10 months following the request for information + extention for notification and consultation	Article 3.22
Côte d'Ivoire	Stepping stone Economic Partnership Agreement – Decision	OJ L49 of 21/02/2020, p. 1	Articles 34, 35	Article 29	At least 3 years	Article 38	No	Article 35	Maximum 10 months in case of reasonable doubts	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
	2/2019 of the EPA Committee - Protocol 1									
ESA	Interim Agreement establishing a framework for an Economic Partnership Agreement – Amended Protocol 1	OJ L93 of 27/03/2020, p. 1	Articles 37, 38	Article 32	At least 3 years	Article 41	No	Article 38	Maximum 10 months in case of reasonable doubts	No
Generalised System of Preferences (GSP)	Commission Implementing Regulation (EU) 2015/2447 of 24/11/2015 (UCC IA)	OJ L343 of 29/12/2015, p. 558 (UCC IA)	Article 109	Article 91	At least 3 years	Article 89 (3, 4)	No	Article 109	6 months; 8 months for replacement statements on origin; may be extended for another 6 months	No
Ghana	Stepping stone Economic Partnership	OJ L350 of 21/10/2020, p.1	Articles 34, 35	Article 29	At least 3 years	Article 38	No	Article 35	Maximum 10 months in the case	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
	Agreement – Decision 1/2020 of the EPA Committee – Protocol 1								of reasonable doubts	
Israel	Euro-Mediterranean Association Agreement - Protocol 4	OJ L20 of 24/01/2006, p. 1	Articles 32, 33	Article 29	At least 3 years	Article 35	No	Article 33	Maximum 10 months in case of reasonable doubts	No
Japan	Economic Partnership Agreement (chapter 3) + Annex 3A	OJ L330 of 27/12/2018, p. 27	Articles 3.21, 3.22	Article 3.19	3 years after the date of the importation - importer; 4 years after the making out the statement on origin - exporter	Article 3.26, Article 89 (3, 4) UCC IA	Article 3.25	Article 3.24	10 months + extention for notification and consultation	Article 3.21
Korea	Free Trade Agreement - Protocol	OJ L127 of 14/05/2011, p. 1344	Articles 26, 27	Article 23	5 years - exporter; in accordance	Article 29	No	Article 27 & Recommendation No 1/2020 of 8.12.2020 (OJ	Maximum 10 months in case of	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
					with laws and regulations of the importing Party– in case of a shorter national period it is recommended that importers keep their origin declarations for at least 5 years - importer			L434 of 23/12/2020, p. 67)	reasonable doubts	
Lebanon	Euro-Mediterranean Association Agreement - Protocol 4	OJ L143 of 30/05/2006, p. 73	Articles 31, 32	Article 28	At least 3 years	Article 34	No	Article 32	Maximum 10 months in case of reasonable doubts	No
Market Access Regulation decision Kenya and Cameroon (for imports	Regulation (EU) 2016/1076 of the European Parliament and of the Council	OJ L185 of 08/06/2016, p. 17	Articles 31, 32	Article 28	At least 3 years	Article 34	No	Article 32	Maximum 10 months in case of reasonable doubts	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
from Cameroon in the EU)	of 08/06/2016 - Annex II									
Mexico	Decision No 2/2000 of the EC-Mexico Joint Council - Annex III	OJ L245 of 29/09/2000, p. 954	Articles 30, 31	Article 27	At least 3 years	Article 34	Article 33	Article 31	Maximum 10 months in case of reasonable doubts	No
Morocco	Euro-Mediterranean Association Agreement - Protocol 4	OJ L336 of 21/12/2005, p. 1 (amended in OJ L248 of 22/09/2010 and OJ L17 of 26/01/2016)	Articles 32, 33, 33a	Article 29	At least 3 years	Article 35	No	Article 33	Maximum 10 months in case of reasonable doubts	No
New Zealand	Free trade agreement – Chapter 3, Annexes 3-A to 3-F	OJ L, 2024/866, 25.3.2024, p. 51	Articles 3.23, 3.24	Article 3.21	3 years after the date on which the claim for preferential tariff treatment	Article 3.27	Article 3.26	Article 3.25	10 months after the date of delivery of a request for information	Article 3.23

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
					referred - importer 4 years after the making out the statement on origin - exporter				+ extention for notification and consultation	
Overseas Countries and Territories (OCTs)	Council Decision (EU) 2021/1764 of 05/10/2021 - Annex II	OJ L355 of 07/10/2021, p.50	Article 43	Article 25	3 years, or more if required by national law	Article 38	No	Article 43	6+6 months	No
Pacific States	Interim Partnership Agreement - Protocol II	OJ L272 of 16/10/2009, p.569	Articles 33, 34	Article 28	At least3 years	Article 37	No	Article 34	Maximum 10 months in case of reasonable doubts	No
Pan-Euro-Mediterranean Convention (PEM)	Regional Convention on pan-Euro-Mediterranean preferential rules of origin - Appendix I	OJ L54 of 26/02/2013, p. 8	Articles 31, 32	Article 28	At least 3 years	Article 34	No	Article 32	Maximum 10 months in the case of reasonable doubts	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
PEM Transitional Rules	Appendix A of revised agreements between the EU and some PEM countries (see list below in footnote)	See footnote below under "PEM Transitional rules"	Articles 33, 34	Article 31	At least 3 years	Article 36	No	Article 34	Maximum 10 months in case of reasonable doubts	No
Revised PEM Convention	PEM JC Decision No 1/2023 of 07/12/2023 - Appendix I	OJ L 2024/390 of 19/02/2024, p. 1	Articles 33, 34, 35	Article 31	At least 3 years	Article 36	No	Article 34	Maximum 10 months in case of reasonable doubts	No
SADC	Economic Partnership Agreement - Protocol I	OJ L250 of 16/09/2016, p. 1924	Articles 37, 38	Article 32	At least 3 years	Article 41	No	Article 38	Maximum 10 months in case of reasonable doubts	No
Singapore	Free Trade Agreement – Protocol 1	OJ L294 of 14/11/2019, p. 659	Articles 27, 28	Article 24	At least 3 years	Article 31; Article 89 (3, 4) UCC IA	No	Article 28	Maximum 10 months in case of reasonable doubts	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
Syria	Cooperation Agreement - Protocol 2	OJ L269 of 27/09/1978, p.22	Articles 22, 24	No		Article 23	No	Article 24	As quickly,as possible	No
Türkiye (ECSC products)	Decision No 1/2006 of the EC-Turkey Customs Cooperation Committee - Protocol 1	OJ L 143 of 06/06/2009, p. 3	Articles 32, 33	Article 29	At least 3 years	Article 35	No	Article 33	Maximum 10 months in case of reasonable doubts	No
Türkiye (agricultural products)	Decision No 3/2006 of the EC-Turkey Association Council, of 19 December 2006, amending Protocol 3 to Decision No1/98 of the EC-Turkey Association Council of 25 February 1998 on the trade	OJ L OJ L 86, 20.3.1998, p. 14	Articles 28, 29	Article 25	At least 3 years	Article 31	No	Article 29	Maximum 10 months in case of reasonable doubts	No

Preferential arrangements	Legal basis	OJ	Administrative cooperation/verification	Record keeping		Penalties for exporters	Confidentiality of information issues	Time limit for the verification replies (start as of the date of the request, unless indicated otherwise)		Additional information from importer before sending the request for verification
			Legal basis	Legal basis	Comments	Legal basis	Legal basis	Legal basis	Comments	Legal basis
	regime for agricultural products - Protocol 3									
United Kingdom (including the Channel Islands and the Isle of Man) **(Excluded: Gibraltar and the UK OCTs)**	Trade and Cooperation Agreement	OJ L149 of 30/04/2021, p. 10	Articles 61, 62	Article 59	3 years after the date of the importation - importer 4 years after the making out the statement on origin - exporter	Article 65; Article 89 (3,4) UCC IA	Article 64	Articles 62, 63 verification request can be sent within a period of two years after the importation of the products	10 months + extention for notification and consultation	Article 61
Vietnam	Free Trade Agreement – Protocol 1	OJ L186/3 of 12/6/2020, p. 1319	Articles 29, 30 and points 8 and 9 of Annex VIII to the Protocol of Origin	Article 26	At least 3 years	Article 32; Article 89 (3, 4) UCC IA	Article 33	Article 30	Maximum 10 months in case of reasonable doubts	No

Andean Countries: Colombia, Ecuador and Peru
CARIFORUM: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, Trinidad and Tobago
Central America: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama

ESA: Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe
Market Access Regulation: Cameroon (importations from Cameroon to the EU) and Kenya
Overseas Countries and Territories: Greenland, New Caledonia and dependences, French Polynesia, French Southern and Antarctic Territories, Wallis and Futuna Islands, Saint Pierre and Miquelon, Saint-Barthelemy, Aruba and Netherlands Antilles
PEM Convention: Albania, Bosnia and Herzegovina, Egypt, Faroe Islands, Georgia, Iceland, Jordan, Kosovo*, Liechtenstein, Montenegro, North Macedonia, Norway, Palestine (this designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Republic of Moldova, Serbia, Switzerland, Türkiye and Ukraine
PEM Transitional rules and Revised PEM Convention – applying contracting parties: see https://ec.europa.eu/taxation_customs/customs-4/international-affairs/pan-euro-mediterranean-cumulation-and-pem-convention_en
SADC: Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland
Pacific States: Fiji, Papua New Guinea, Samoa and Solomon Islands
* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

C.2. Verification requests sent by third countries to EU Member States

This section refers to procedures for carrying out verification requests sent by third countries to EU Member States

This section provides a description of the verification controls performed by the customs authorities in the EU (including a methodology).

Upon receipt of a verification request from a partner country, the verification process in the EU starts. The date of the verification request will, in almost all cases, be the starting date for the period of the verification. The verification request should at least include the document on origin. Depending on the legal base in the preferential arrangement, the request may include the reason for the verification and, where appropriate, a request for specific documentation and information.

Customs will first check whether they are the Member State competent for the verification. The Member State issuing the movement certificate EUR.1 or granting the self-certification number used (REX or approved exporter number) will be the Member State competent for the verification. Where the request is received by a Member State not competent for the verification, that Member State will send the request back to the requesting country. Forwarding the request to the competent Member State would not change the deadline to respond (usually a period of 10 months) and is therefore not recommended.

When the Member State of competence has been established, customs will then check whether the request contains all the information allowing for the verification. In particular, in the following situations, customs may send back the request:

- The request does not contain all the information to allow to start the verification process (e.g., the request does not include a document on origin or only a part thereof is included, the commercial document does not contain any origin declaration or contains another text, or the copy of the movement certificate EUR.1 is illegible).

- The request does not relate to an origin verification (e.g., it only relates to the valuation of the goods or to customs formalities).

- The document on origin has not been sent within the period set out for verification in the respective arrangement.

If there are no reasons to reject the request, the competent customs authority will perform the verification of the document on origin, and will send, depending on the preferential arrangement, an acknowledgment receipt to the requesting partner country.

In most cases, customs will contact exporters as they have the information and documentation needed for the verification. There may, however, be cases where it is possible to reply to the verification request without contacting the exporter and without checking the originating status of the product, e.g., where the product has already been checked in previous verifications and the result is known to customs.

Where there is a request for information concerning only an authorisation or a registration number, that request may be answered without the verification of the originating status.

1) Methodology of the verification process

As the correctness of a document on origin needs to be evidenced by supporting documents, the verification requires a documentary control, where the customs authorities have the right to access and examine all the relevant documentation. As appropriate, the verification may also include an on-site visit to check, for example, the manufacturing process or the preservation of originating materials.

It is always important to consult the relevant trade agreement when conducting the verification, as the method used in the verification may be required to be mentioned in the reply. This is the case for the trade agreements of Group B (EU-Korea FTA[34], EU-Canada CETA[35], EU-Japan EPA[36], EU-UK TCA[37] and EU-NZ FTA[38], EU-Chile ITA[39]), where there are specific requirements to what information must be included in the verification reply.

It depends on the Member States' organizational structure how and where the actual verification is organized – some Member States may delegate the verifications to local customs offices, whilst others have a central unit specializing in performing verification. This also affects how the result of the verification is communicated to the office that is in charge of sending the final verification reply to the requesting partner country.

In order to complete the verification, customs will check the authenticity of the document on origin and verify the originating status of the goods and the fulfilment of other origin requirements.

a) Authenticity

The authenticity of a document on origin relates to the fact that the document is genuine and issued or made out by the authority or exporter indicated therein.

34 Explanatory Notes to the EU-Korea FTA, p. 1414.
35 EU-Canada CETA: Guidance on the rules of origin.
36 EU-Japan EPA Guidance Claim, verification and denial of preference.
37 EU-UK TCA Guidance on Section 2: Origin procedures.
38 EU-New Zealand FTA: Guidance document on rules of origin.
39 EU-Chile ITA 2024 Guidance document on rules of origin.

In case of movement certificates EUR.1, customs checks whether the certificate is issued on the correct form and stamped with a notified stamp by its customs authorities and whether the certificate is not forged.

In case of self-certification made out by the exporter, customs checks whether the exporter holds a valid number for making out an origin declaration, invoice declaration or a statement on origin (approved exporter authorisation or registration in the REX system) and whether the declaration or statement contains the correct text.

If it is established that the movement certificate EUR.1 has not been issued by a customs office or that the self-certificate has not been made out by the exporter, a further verification shall not be conducted. In such cases, the requesting partner country will be informed that the document on origin is not authentic and the originating status cannot be confirmed.

b) Originating status of the goods

The customs authority must verify whether the products covered by the document on origin fulfil the conditions of the relevant trade agreement to be considered an originating product. For this, the exporter must demonstrate that the products fulfil the relevant origin criteria to obtain the preferential originating status.

The evidence of the preferential origin has to go beyond the documents that indicate the country of production, or labelling which may be used in the case of non-preferential origin. It is necessary that the documentation clearly states or demonstrates the preferential originating status of the goods. The supporting documentation must indicate that the conditions for preferential origin have been fulfilled with a reference to the legal basis of the preferential trade agreement that is used.

Products have originating status if they are either wholly obtained, made only from originating materials or are sufficiently worked or processed (i.e., satisfy the product-specific rules of origin). This basic principle with its detailed rules of origin applies to all EU preferential origin agreements.

i. Requirements regarding information

(1) Wholly obtained products:

Wholly obtained mainly applies to natural products obtained within the territory of the exporting Party, as well as products entirely made from them. The wholly obtained condition therefore generally relates to mineral products extracted or taken from the exporting Party's soil or from its seabed, plants and vegetable products grown or harvested there, live animals born and raised there (and products obtained or derived from these animals), fishery products (always taking into account the vessel conditions in the agreement), but also covering some less obvious products such as e.g. waste and scrap resulting from EU production operations or used products collected in the EU, but fit only for the recovery of raw materials.

Example: EU-SADC EPA

Rule: Article 6 (h) of Protocol 1 to the EU-SADC EPA states the following as being "wholly obtained":

(h) used articles collected there, fit only for the recovery of raw materials

Practical example: Used aluminium beverage cans (HS heading 7602) that were collected in the EU via domestic refuse collection are shredded, cut, cleaned and decontaminated before being pressed into dense aluminium cubes. The recycled aluminium is made reusable for new applications.

It is to be noted that the aluminium can in the example cannot be used for any other purpose (i.e., it is considered as waste), but only as a raw material in a further production.

Compliance requirements: Regardless of the actual origin of each beverage can, which would be very difficult to trace, the recycled aluminium can be considered EU originating and the recycling process converting it into another product demonstrates that the cans were only fit for the recovery of the raw material.

Verification: Throughout the verification process, an on-site visit might be useful to witness the described production processes. It might furthermore be useful to check if the recycling company does not directly import waste and/or scrap from third countries and the collection takes place in the EU, and we therefore need to know who are their EU suppliers (e.g. refuse collection cooperatives), if this is deemed necessary to determine the originating status of the recycled products.

(2) Products produced exclusively from originating materials

This refers to a product which is manufactured in the exporting Party with only materials originating there within the meaning of the respective agreement.

Example: Annex II to the Agreement between the EU and the Andean countries (Colombia/Peru/Ecuador)

Rule: The rule for chocolates (HS heading 1806) requires:

1806	*Chocolate and other food preparations containing cocoa*	*Manufacture:* *— from materials of any heading, except that of the product, and* *— in which the value of all the materials of Chapter 17 used does not exceed 30 per cent of the ex-works price of the product*

Practical example: *Chocolate pralines (HS heading 1806) consist of a dark chocolate outer layer and a caramelized white chocolate filling. Neither the dark chocolate (HS heading 1806), nor the white chocolate filling (HS heading 1704) have been made in-house by the praline manufacturer. These intermediate products are sourced from EU suppliers and their preferential origin is documented with a supplier's declaration of preferential origin.*

Compliance requirement: *The EU originating status of the intermediate products is already established by the EU supplier through the supplier's declaration. Therefore, as all the intermediate products used to make the product are originating, the product will be originating without the need to check the compliance with the product-specific rules of origin. Any non-originating materials incorporated in the production of the intermediate products, e.g. non-originating sugar in the white chocolate filling, can be disregarded for establishing the origin of the chocolate pralines by the absorption principle.*

Verification: *The exporter should demonstrate evidence of the fact that the bought in intermediate products from HS headings 1704 and 1806 are indeed EU originating according to the respective preferential arrangement. If these intermediate products are sourced from an EU supplier, the exporter will need to hold a valid supplier's declaration of preferential origin (of which the authenticity and validity can be checked if there are doubts through an administrative cooperation procedure between the Member States (INF4)).*

(3) Products that fulfil the product-specific rules of origin

The list rules confer originating status based on the following basic criteria:

- Wholly obtained requirement;
- Change in tariff classification;
- Value or weight limitation;
- Specific working or processing.

List rules sometimes combine these criteria and require or give manufacturers the choice to satisfy two or more of them at the same time.

Manufacture from wholly obtained materials

Where the applicable rule of origin requires that a material is wholly obtained, this concept generally refers to products from plants and animals, e.g. fruits and vegetables grown or harvested in the country or territory of export or mineral products harvested there.

Example: EU–Korea FTA

Rule: *The rule for precooked fries (HS heading 2004) requires:*

ex Chapter 20	*Preparations of vegetables, fruit, nuts or other parts of plants; except for:*	*Manufacture in which:* *– all the fruit, nuts or vegetables of Chapter 7, 8*

		and 12 used are wholly obtained, and *– the value of all the [non-originating] materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product*

Practical example: Peeled and cut potatoes (HS heading 0710) are coated with a mixture of potato starch (HS heading 1108), potato dextrin (HS heading 3505), dextrose (HS heading 1702) and salt (HS heading 2501), after which they are precooked in sunflower oil (HS heading 1512). The precooked fries are frozen and packed into bags for retail sale (HS heading 2004).

Compliance requirements: In order to determine the preferential origin of the precooked fries it is important to check the origin of the potatoes, since all vegetables of Chapter 7 (which includes potatoes of the HS heading 0710) need to be wholly obtained in the EU.

Verification: Regarding the verification procedure, the exporter should therefore hold evidence of the fact that the potatoes were grown and harvested in the EU. Furthermore, also the origin of the dextrose, due to it being classified under the HS Chapter 17, is a crucial factor in the preferential origin determination. If non-originating dextrose has been used, the exporter should be able to present relevant purchase invoices of the dextrose, and a supplier's declaration for originating dextrose bought in. The value of the non-originating dextrose used in the production of the fries is then to be compared with the ex-works price of the final product (and may not exceed 30%). All the other ingredients may be disregarded for determining the origin of the product.

Products obtained based on a change of tariff classification:

This product specific rule requires that the classification of the final product is different from that of the non-originating materials used in the production. The production operations carried out on the non-originating materials have to be more than insufficient.

The change may be requested at the level of the chapter (the first 2 digits of the Harmonised System), the tariff heading (4 digits) or the tariff subheading (6 digits).

Example 1: EU-UK TCA

Rule: The rule for lubricating preparations (HS sub-heading 3403.19) requires:

34.01-34.07	*Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling*	*CTSH;* *A chemical reaction, purification, production of standard materials or isomer separation is undergone;* *MaxNOM 50 % (EXW); or*

	pastes, 'dental waxes' and dental preparations with a basis of plaster	*RVC 55 % (FOB)*

Practical example: A lubricant (HS sub-heading 3403.19) has been composed of various base materials like petroleum oil (HS sub-heading 2710.19), polymers of olefins in primary form (HS sub-heading 3902.90) and some additives for lubricating oils (HS sub-heading 3811.21).

Compliance requirements: To comply with the CTSH rule, no non-originating materials of the same subheading (6 digits) as the final product may be used. Since all materials used fall under a different 6-digit tariff sub-heading, the CTSH criterion is met and the final product can be considered EU-originating (regardless of the actual origin of the base materials).

Verification: For verification purposes the exporter will need to provide a detailed bill of material with a description and tariff classification of the base materials on sub-heading level. If the customs authority that conducts the origin verification has doubts about the provided tariff (sub)heading, a sample for submission to the customs laboratory or a Binding Tariff Information might be beneficial. If the materials were imported, the import declarations would be an indicator of the tariff classification.

Example 2: EU-Japan EPA

Rule: The rule for morpholine (HS sub-heading 2934.99) requires:

2925.11-2938.10	*CTSH;* *A chemical reaction, purification, a change in particle size, production of standard materials, isomer separation or biotechnological processing is undergone;* *MaxNOM 50 % (EXW); or* *RVC 55 % (FOB)*

Practical example: morpholin of HS subheading 2934.99 was produced from diethylenglycol of HS sub-heading 2909.41 (non-originating), ammonia of HS sub-heading 2814.10 ((non-originating) and morpholin-solution of HS sub-heading 2934.99 (originating).

Compliance requirements: To comply with the CTSH rule, no non-originating materials of the same subheading (6 digits) as the final product may be used. Since all non-originating products fall under a different 6-digit tariff sub-heading, the CTSH criterion is met.

Verification: Like in example 1 the exporter will need to provide a detailed bill of material with a description and tariff classification of the base materials on sub-heading level. Additionally he must also be able to prove the origin of the morpholin solution which falls under the same HS-sub heading as the final product and which was declared as an originating material. Valid documentation is needed to prove the originating status of the morpholin solution, namely:

– *Where the material was purchased from a supplier in the EU, a valid supplier's declaration;*

– *Where the material was manufactured in-house, the appropriate information that the PSR was fulfilled;*

Where the material was purchased from a supplier in Japan and cumulation is used, a statement on origin or importer's knowledge (usually in case of affiliated companies) will be required.

Products obtained based on the value-based rule:

This rule generally sets a maximum value of non-originating materials expressed as a percentage of the ex-works price of the product.

Example: EU-SADC EPA

Rule: The rule for musical instruments, which includes pianos (HS heading 9201), requires:

Chapter 92	*Musical instruments; parts and accessories of such articles*	*Manufacture in which the value of all the [non-originating] materials used does not exceed 40 % of the ex–works price of the product*

Practical example: The provided breakdown of the ex-works price by the manufacturer of a custom-made historical replica piano shows the following:

– *EXW price of the custom-made piano = 35.000 EUR*

– *Total value of materials = 9.000 EUR (25,7%)*

– *Labour cost = 16.000 EUR (45,7%)*

– *Profit = 10.000 euro (28,6%)*

Compliance requirements: To comply with the value-added rule, the value of the non-originating materials may not exceed the threshold set out in the respective rule. The exporter needs to make a calculation to demonstrate the compliance with the rule, including at least the value of the non-originating materials and the ex-works price. For the breakdown, a bill of materials is needed.

Verification: The breakdown shows that the total of all materials used is only 25,7% of the total ex-works price, due to intensive manual labour. At the same time, the production process has to go beyond insufficient operations. The piano is therefore EU originating, since the 40% threshold for non-originating materials has not been exceeded.

If this would however not be the case, a further split of the bill of material of used components between originating and non-originating would be required (mainly for the high value components, until the foreseen threshold percentage is reached). The preferential EU origin of the originating components, before they can be counted as EU originating, must be proven by means of a supplier's declaration of preferential EU origin.

Products obtained based on the weight-based rule:

This is a rule always used in combination with other rules, e.g. requiring a change of tariff heading and a maximum threshold for non-originating materials, expressed as a percentage of the weight of the finished product.

Example: EU-JP EPA

Rule: The rule for breakfast cereals (e.g. cocoa oat pillows containing a chocolate and hazelnut flavoured filling – HS heading 1904) requires:

1904	*Preparations of cereals, flour, starch or milk; pastrycooks' products*	*CC, provided that:* *— the weight of non-originating materials of Chapter 4 used does not exceed 10 % of the weight of the product;* *— the total weight of non-originating materials of headings 10.01, 10.03, 10.06 and 11.01 to 11.08 used does not exceed 10 % of the weight of the product; and* *— the total weight of non-originating materials of headings 17.01 and 17.02 used does not exceed 30 % of the weight of the product*

Practical example: A mixture of bought in ingredients such as oat flour, rice groats, sugar, whey powder, cocoa powder, water and salt are combined into a dough. This dough is subsequently processed by means of a co-extrusion technique into a cereal product (a crispy extruded outside (cereal pillow)) which is filled with a chocolate and hazelnut flavoured filling.

The provided bill of material shows the following:

Ingredients	*HS heading*	*Origin*	*Materials per 1000 grams of the finished product*
Oat flour	*1101*	*EU origin*	*385 grams*
Rice groats	*1103*	*Non-EU origin*	*95 grams*
Sugar	*1701*	*EU origin*	*100 grams*
Whey powder	*0404*	*EU origin*	*15 grams*
Cocoa powder	*1805*	*Non-EU origin*	*55 grams*
Chocolate hazelnut paste	*1806*	*EU origin*	*320 grams*
Water	*2201*	*EU origin*	*20 grams*
Salt	*2501*	*EU origin*	*10 grams*

Compliance requirements: Multiple ingredients in the dough such as the whey powder (HS heading 0404), the oat flour (HS heading 1103), the rice groats (HS heading 1103) and the sugar (HS heading 1701) are subject to a weight threshold if non-originating.

Verification: In order to properly conduct the ex-post verification, it is important to have the product composition available that lists all the materials used, together with their HS headings, respective origin and their weight share in the final product. Here, the weight threshold for non-originating materials does not apply to the whey powder (HS heading 0404), the oat flour (HS heading 1103) and the sugar (HS heading 1701) if the preferential EU origin is proven by means of a supplier's declaration of preferential origin. For the non-originating rice groats (HS heading 1103), the weight share has to be checked against the weight of the finished product in order to comply with the PSR. The cocoa powder can be disregarded as its classification is not in HS Chapter 19. This material is not subject to a weight threshold and complies with the CC (Change in Chapter) requirement, which means its actual origin does not play a decisive role in the preferential origin determination.

Products obtained based on the manufacturing process rule:

This is a rule requiring specific processing on non-originating materials in order to confer preferential origin within the meaning of the respective agreement. It is a common rule in particular in the textile and clothing sector as well as in the chemical sector.

Example 1: EU-UK TCA:

Rule: The rule for low-density polyethylene (LDPE) of heading 3901, which serves as the basis for different kinds of plastics, requires

Chapter 39	*Plastics and articles thereof*
39.01-39.15	*CTSH;* *A chemical reaction, purification, mixing and blending, production of standard materials, a change in particle size, isomer separation, or biotechnological processing is undergone;* *or* *MaxNOM 50 % (EXW)*

Practical example: In high-pressure reaction vessels, ethylene (HS heading 2901) as monomer is converted into polymers (polyethylene) of HS heading 3901. During the polymerisation process, the molecules of the ethylene gas are formed into long sequences, which converts the gas into a solid matter.

Compliance requirements: This process of polymerisation should meet the requirements for being considered a "chemical reaction", as defined in the TCA:

"chemical reaction" means a process (including a biochemical processing) which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule, with the

exception of the following, which are not considered to be chemical reactions for the purpose of this definition:

(i) dissolving in water or other solvents;

(ii) the elimination of solvents including solvent water; or

(iii) the addition or elimination of water of crystallisation;

Verification: For verification purposes the exporter will need to provide a detailed description of the chemical process. If the customs authority that conducts the origin verification has doubts about meeting the requirements related to the "chemical reaction", a chemical expert within the customs administration may be contacted.

Example 2: Annex III to the EU-Mexico Agreement

Rule: The rule for tempered glass (HS heading 7007) requires:

7007	*Safety glass, consisting of toughened (tempered) or laminated glass*	*Manufacture from [non-originating] materials of heading No 7001*

Practical example: Tempered glass (HS heading 7007) is made by using EU originating glass sheets ("float glass") of HS heading 7005, which are processed by a controlled thermal treatment to increase the strength.

Compliance requirement: The product specific rule defines the latest stage in the manufacturing process where the production in the EU may start when non-originating materials are used. In order to comply with the product specific rule for HS heading 7007, in principle non-originating materials of only HS heading 7001 or at an earlier stage of the manufacturing can be used. This means that the latest stage in the manufacturing process in the EU needs to start from cullet and other waste and scrap of glass or glass in the mass. Indirectly, this means that both the manufacture of the glass sheets (of HS heading 7005) and the subsequent tempering process must take place within the EU in order to obtain preferential EU origin for the final product of HS heading 7007. Imported non-originating materials of HS heading 7005 would therefore not be allowed, but since these materials of HS heading 7005 are EU originating this does not constitute a problem for preferential origin purposes.

Verification: The exporter should demonstrate evidence of the fact that the glass sheets from HS heading 7005 are EU originating. If these glass sheets are sourced from an EU supplier, the exporter will need to hold a valid supplier's declaration of preferential origin. Furthermore, it might be useful for the customs authority conducting the verification to check whether this exporter does not directly import materials of the same HS heading 7005 from third countries (by performing a targeted search in the national import declaration system).

ii. Requirements regarding supporting documents and all the relevant information

The exporter always has to present sufficient documentation to prove the fulfilment of the relevant origin criteria. To verify the origin of a product, the customs authorities have to consider all the relevant elements to check the declared originating status of the product. This depends on the type of the product and the rule of origin to be proved. It also depends on whether the exporter is the producer or trader. The information and documentation may include the following:

- Check the documents and information held by customs:
  - Customs declarations
  - For movement certificates EUR.1: supporting documents presented for the issuance of the certificates, if copies are kept by customs
  - Authorisations and monitoring reports, customs decisions on origin or classification (BOI, BTI)
  - Information on previous verifications
- Check the documents and information provided by the exporter, in particular:
  - General information about the activities of the company (trader/producer)
  - Extracts from records/registers
  - Documents related to wholly obtained products (e.g. identification tags for animals, information on vessel conditions, fishing logbook, sanitary and phytosanitary documents)
  - Bill of materials/production card (which is a full list of materials, components and parts and the description of the manufacturing process required to manufacture a product)
  - Supplier's declarations
  - Documents on origin for imported materials or products
  - Invoices/pro-forma invoices, purchase/sales orders, delivery notes, packing lists
  - Contracts
  - Extracts from the accounting system
  - Technical data sheets, production drawings, photographs
  - Third Party documents, e.g. bills of lading

- Visit the premises of the exporter
  - Observation of the production process
  - Stock management, including stock lists
  - Management systems
  - Bookkeeping
  - Preferential calculation program
- Receive explanations from the relevant personnel of the exporter

c) Verification of supplier's declarations

A supplier's declaration is a declaration by which a supplier provides information to his customer concerning the originating status of goods with regard to the specific preferential arrangement. It is necessary to check if the supplier's declarations contain correct information, in particular the relevant partner country. Where the supplier's declaration is used for multiple consignments it is important to check that the dates regarding the validity period are correct.

For the verification of supplier's declarations, see dedicated guidance:

suppliers-declaration-may-2018_en.pdf (europa.eu)

d) Other origin requirements

There are other requirements in preferential arrangements that have to be fulfilled, e.g. the principle of territoriality, duty drawback prohibition, separation of fungible materials (except where accounting segregation is used).

When conducting the verification, the customs authority must also check whether these requirements are met.

e) Record keeping

The exporter must hold and keep the documents on origin as well as the supporting documents for the period set out in the relevant trade agreement and in national legislation. For further details see Section B.8 Documents on Origin.

If the exporter is not in possession of the required supporting documents, the customs authorities may conclude that the preferential originating status of the products covered by the document on origin cannot be confirmed. As a consequence, the preferential tariff treatment could be denied in the importing country. Therefore, exporters must be in possession of the supporting documents at the time the document on origin is issued or made out and preserve them for the time period fixed by the respective trade agreement for preserving the relevant

documents (three or five years). In case exporters are not in possession of those documents, they may also be subject to administrative measures and national penalties.

f) Treatment of confidential information

Confidential information obtained from the exporter by the customs authority of the exporting Party (or by the customs authority of the importing Party) for the purpose of verification or administrative cooperation shall in general not be disclosed unless otherwise provided for in the preferential agreement.

In the Group A agreements the verification replies provided by the exporting Party are limited to only an assessment of the authenticity of the document on origin, the originating status of the goods and the fulfilment of other origin requirements.

Specifically for the EU-Korea FTA, the verification replies should be in line with the Recommendations for the application of the verification procedure[40], which provides for the provision of certain additional information.

In the Group B agreements, the foreseen information to be provided may be wider and shall include an explanation on how the rules of origin were met, e.g. the EU-Canada CETA, the EU-Japan EPA or the EU-UK TCA. The request for information may in those cases also include the forwarding of supporting documentation. However, the exporter may request certain information or documents considered confidential not to be disclosed in the verification reply to the importing Party.

These agreements (Group B) provide for the possibility for the customs authority of the importing Party to ask for supporting documentation or information on how the rules of origin were met. Examples of such specific information or documents could include production flowcharts, lists of materials used (originating / non-originating, HS classification), values of the non-originating materials or weight ratio of the non-originating materials to that of the final product, and explanations on the kind of production process taking place or specific details on how the origin criterion was met, e.g. the exact percentage of the non-originating materials in the product. Such information or documents may only be shared with the importing Party if they are not indicated as confidential by the exporter.

Nevertheless, the exporter should always be aware that a minimum level of non-confidential information on the compliance with the rules of origin will have to be shared with the importing Party in order to conclude the verification, otherwise it may lead to denial of the preferential tariff treatment by the importing Party.

[40] Recommendation No 1/2020 on the application of Article 27 of the Protocol concerning the definition of "originating products" and methods of administrative cooperation. OJ L434/67, 23.12.2020.

Where the importing Party requests confidential documents or information that are not of any relevance to the determination of the preferential originating status this would fall out of scope of the request, and should not be shared.

Direct requests for information from the customs authority of the importing Party to the exporter, or participation of that authority in visits to the premises of the exporter are not possible.

2) Verification of statements on origin for multiple shipments of identical products

A statement on origin for multiple shipments of identical products is a statement valid for consignments of identical products over a period up to a maximum of 12 months. In practice, this means that one statement can cover all the identical originating products over a certain period, instead of separate statements on each commercial document per individual consignment.

When receiving a verification request for a statement on origin for multiple shipments the products to be verified will depend on what the importing Party asks to be verified, i.e. all products in the given time period or only a sample of the products.

A statement on origin for multiple shipments of identical products is solely used in the agreements of Group B, such as the EU-Canada CETA, the EU-Japan EPA and the EU-UK TCA. In the context of all these agreements, the EU Member States can be asked to do verifications of statements on origin for multiple shipments of identical products.

The exporter should be able to demonstrate via supporting documentation the continuous fulfilment of the originating status for the whole time period. Long-term supplier's declarations must be valid for the materials used to manufacture the products that are covered by the statement on origin for the multiple shipments.

a) Checking the validity period

When verifying a statement on origin for multiple shipments of identical products the dates indicated on the statement must be checked to ensure the correct usage of the validity period. This period, indicating both the start date and the end date, is limited to a maximum of 12 months as stipulated in the relevant agreement, and it must be specified in that particular statement on origin. All importations of the product must occur within the period indicated. If the validity period exceeds 12 months the importing Party may consider the statement on origin invalid for technical reasons.

b) Description and identification of the identical products

The product description on the commercial document or other document, depending on the preferential trade agreement, used for making out a statement on origin for multiple shipments should be precise enough to clearly identify the products.

In the verification of a statement on origin for multiple shipments of identical products, there is a need to check the documents related to the consignment against the statement on origin itself. It is essential that the products correspond in every respect to those described in the product description.

When checking the originating status of the identical products it may be necessary to check whether the products acquired the originating status under the same circumstances, i.e. they fulfil the same rule of origin e.g. EU-Japan EPA.

Products may be originating even if they do not fulfil the criterion of identical products due to having different features, like colours, while the main features are the same. This may lead to the invalidation of the statement on origin for multiple shipments of identical products.

Particularity of the EU-Japan EPA:

The fulfilment of the same rules of origin is linked to the fulfilment of the origin criteria that is also to be indicated in the statement on origin.

EU-Japan EPA guidance: Statement on Origin for multiple shipments of identical products

3) Time-limit for concluding the verification

When an importing country has sent their request for verification, the result of the verification should be sent as soon as possible. Each agreement specifies a time-limit within which a reply must be sent, in general it is 10 months. The time-limit usually starts from the date of the verification request. For further details see Annex 8. If no reply or only an insufficient reply is sent within the deadline, the customs authority of the importing country may deny the claim for preferential tariff treatment.

Before the reply is sent to the importing country, the exporter should be informed of the result of the verification.

4) Consequences in case of non-compliance related to invalid documents on origin

By making out (or requesting the issuance of) documents on origin the exporter explicitly commits to comply with and accept full responsibility for all obligations that are specified in the preferential arrangement. If during the course of the verification it is established that these obligations are not complied with, this can have consequences for both the importer (customer) in the partner country and for the exporter in the EU.

The importer, although he relies in good faith on a document on origin provided to him by his supplier, may have to pay the customs duties after it has been established that the document on origin is not valid and the claim for preferential tariff treatment is denied. Moreover, in the case of a document on origin for multiple shipments, the consequences may be larger, as the denial

of the preferential tariff treatment will have an effect on the entire period and the total number of imports covered by the sole document on origin for multiple shipments.

For the exporter, an invalid document on origin may lead to the possible loss of a customer or the requirement to reimburse the import duties and charges paid by the importer (depending on the contract between them), and may also entail other country-specific consequences such as administrative or criminal sanctions on the exporter, and in specific cases also on the importer.

Both the customs authorities of the importing Party and of the exporting Party may initiate further investigations, including the verification of other previous transactions for a period up to three or five years, depending on the preferential arrangement.

In case of non-compliance by exporters, the customs authorities of the exporting Party may take further actions. Where the customs authorities of the exporting Party detect irregularities, the following types of corrective measures may be taken or proposed, depending on the nature of the infringements and their frequency, such as:

- Informing and educating the exporters;
- Issuing a warning to the exporter pointing out the shortcomings in cases of minor importance;
- Initiating proceedings for the imposition of a financial penalty in accordance with national law;
- In case of approved or registered exporters, revocation of their approved exporter authorisation or of the REX registration;
- Initiating criminal proceedings.

The above equally applies to suppliers' making out incorrect supplier's declarations that caused or may cause a document on origin to be made out incorrectly.

C.3. Verification requests sent by EU Member States to third countries

This section refers to procedures for carrying out verification requests sent by EU Member States to third countries.

1) Introduction

All preferential arrangements contain the concept of administrative cooperation. This section will provide information about verification requests sent by the EU Member States to third countries.

Checks on a claim for preferential origin may be initiated at the time of the release for free circulation or post-clearance by means of risk assessment methods including:

- reasonable doubts as to the origin of the goods, the authenticity of the documents on origin or the accuracy of the information contained in them, or
- random checks.

2) Treatment of the selected claims

Once the claim for preferential tariff treatment is selected for verification, customs will examine the documents on origin, and, according to the preferential arrangement, may ask the importer to provide further information (Group B agreements).

Depending on the results of those checks and the preferential arrangement, it may be necessary to deny the claim or to select it to start the administrative cooperation process.

a) Reasons for denial

Before determining whether a verification request needs to be sent to a partner or beneficiary country, it should be established whether there are reasons for denying the claim for preferential tariff treatment.

For the non-exhaustive examples of reasons related to documents on origin, see B.8.2)g)ii.(2) and (3).

Another reason, not related to documents on origin, is when the conditions for direct transport/non alteration/non-manipulation were not complied with (e.g. machinery exported from Japan went via a third country where it was in free circulation).

b) Start of the administrative cooperation procedure

If in checking the documents on origin no reasons for denial are identified, nonetheless customs still has doubts or wants to check the origin of the product or the authenticity of the documents on origin for other reasons, then a request for administrative cooperation should be initiated with the competent authorities of the exporting country.

In the agreements of Group A and arrangements of Group C, the administrative cooperation starts by directly asking the exporting Party to verify the originating status of the goods.

In the agreements of Group B, such as the EU-Japan EPA, the EU-UK TCA or the EU-New Zealand FTA, before the administrative cooperation starts, the importer may be asked for additional information. Where the customs authority receives the requested information, it shall assess the information and decide whether the preferential treatment should be granted on the basis of the information received. If the information is sufficient for the verification of the originating status, the verification procedure may be completed without initiating a request in a further step by administrative cooperation. If the importer is not in the position to provide additional information, the administrative cooperation shall be started.

For some arrangements it may be necessary to explicitly indicate in the request whether it is based on reasonable doubts or on random selection, due to different consequences triggered by each type of request. In case of no reply to a verification request based on reasonable doubts, preferential tariff treatment may be denied.

The following are non-exhaustive examples of reasons for sending out verification requests based on reasonable doubts, according to the type of documents on origin:

- For movement certificates EUR.1:
  - The stamp used for the endorsement is slightly different from the specimen submitted;
  - It appears that information has been added to the movement certificate after endorsement by customs;
  - Parts of the movement certificate are damaged or difficult to read;
- For self-certification
  - Doubts that the consignment has been split just for the reason of meeting the value limit for self-certification documents;
- Both types of documents on origin
  - The products, their packaging or accompanying documents indicate that there is an origin other than that indicated in the document on origin;
  - Information contained in the document on origin, accompanying documents or on the packaging of the goods indicates that the goods were not sufficiently worked to acquire

originating status (e.g. the packaging of the product indicates that it was only "packed in the UK");

- By the nature of the product, the goods are unlikely to fulfill the product-specific rules on a commercial scale (e.g. bananas or wine from Iceland);
- The description of the goods in the document on origin is not consistent with all the information appearing on other documents accompanying the goods;
- The HS classification indicated in the document on origin or accompanying documents is not consistent with the HS classification determined by the Member States' customs;
- Notices published in the Official Journal of the EU by the European Commission to importers and Member State administrations regarding preferential imports of certain products from certain countries[41];
- A previous negative reply to a verification request for the same or other goods from the same exporter.

There may be cases where it is not clear-cut whether administrative cooperation shall be started and where the combination of risk indicators may on a case-by-case basis lead to verification requests. Examples of such risk indicators may be:

- Unusual transport route yet the rules for direct transport/non alteration were complied with;
- The certificate has clearly been issued after the exportation of the goods to which it refers or as duplicate, however, the endorsement "issued retrospectively" or "duplicate" has not been entered in the relevant box.

In addition to the cases mentioned above, customs authorities of the Member States may also send documents on origin for verification based on random selection, which may be based on risk indicators, e.g. high value and/or a high rate of the MFN duty and low preferential duty.

In sending out verification requests, the customs authorities should take into account the financial impact at stake following a negative or no reply (Article 116 UCC and Article 88 UCC-DA).

3) Management of verification requests sent to third countries

Customs has the right to request a verification of the authenticity of the document on origin, the origin of the product and the fulfilment of other origin-related requirements from the competent authorities of third countries. The importer may be notified that a verification is being undertaken.

[41] Communication from the Commission: Setting out conditions, in the context of preferential tariff arrangements, for informing economic operators and Member State administrations of cases of reasonable doubt as to the origin of goods, OJ C 332/01, 30.10.2012.
General aspects of preferential origin - European Commission (europa.eu)

Where the result of the verification leads to the denial of the claim for preferential treatment, the importer is informed and the decision is taken to reject the claim and, where applicable, to collect the duties.

4) Verification process of replacement documents on origin

Where originating products covered by a document on origin have not yet been released for free circulation and are under customs supervision, that document on origin may be replaced by one or more replacement documents on origin for the purpose of releasing the goods for free circulation within the EU. Here, a distinction can be made between replacement within the EU in the context of preferential agreements and replacement in Norway and Switzerland in the context of the EU GSP scheme.

For general information on replacing origin documents see the guidance on application in the European Union of the provisions concerning replacement proofs of origin:

https://taxation-customs.ec.europa.eu/document/download/909112a5-b208-474d-a02f-6567b38c7c9d_en?filename=movement_certificates_en.pdf

Annex 9: Grouping of arrangements

	Group A	Group B			Group C		
	e.g. PEM Convention	EU-Korea FTA	EU-Canada CETA	e.g. EU-UK TCA	OCT	EU GSP (current)	EU GSP (New)
Provision of preference	bilateral	bilateral	bilateral	bilateral	unilateral	unilateral	unilateral
Reason for verification	random/doubts	random/doubts	risk/random/doubts	risk	random/doubts	random/doubts	risk
Content of the verification result	The result shall clearly indicate whether the documents are authentic and whether the products concerned may be considered as originating products and fulfil the other requirements [of the PEM Convention].	Result shall clearly indicate whether the documents are authentic and whether the products concerned may be considered as originating products and fulfil the other requirements of the Protocol. In addition, according to the Recommendation it was agreed that the following elements are necessary: – the conclusion on the authenticity of the documents, the originating status of the products concerned or the fulfilment of the other requirements of the Protocol; – the description of the product subject to examination and the tariff classification relevant to the application of the rule of origin; and	The result must contain the following information: – the results of the verification; – the description of the product subject to verification and the tariff classification relevant to the application of the rule of origin; – a description and explanation of the production sufficient to support the rationale concerning the originating status of the product; – information on the manner in which the verification was conducted; and	The result must contain at least the following information: – Method of examination; – HS heading and description of the goods; – Opinion.	The result must be sufficient for the initiating EU Member State (opposite conclusion of Art. 35(2)(c) Annex II)	The result must be sufficient for the initiating EU Member State – sufficient answers to the questions raised in the requests (opposite conclusion of Art. 107(2)(c)(ii) UCC IA)	Must be sufficient for the initiating EU Member State (opposite conclusion of Art. 92(2)(c) UCC IA)

	Group A	Group B			Group C		
		– information on the manner in which the examination was conducted (when and how). Furthermore in case of doubts: – where the origin criterion was 'wholly obtained', the applicable category (such as harvesting, mining, fishing and place of production); – where the origin criterion was based on a value method, the value of the final product as well as the value of all the non-originating materials used in the production; – where the origin criterion was based on changes in tariff classification, a list of all the non-originating materials including their tariff classification (in 2, 4 or 6 digit format depending on the origin criteria); – where the origin criterion was based on weight, the weight of the final product as well as the weight of the relevant non-originating materials used in the final product; – where the origin criterion was based on a specific processing, a description of that specific	– where appropriate, supporting documentation; and – subject to its laws, customs may need to notify the exporter of its decision concerning whether the product is originating.				

	Group A	Group B			Group C		
		processing that conferred origin to that particular product; and – where the tolerance rule is applied, the value or weight of the final products and the value or weight of non-originating materials used in the production of the final products.					
Measures in the absence of response	Refusing if doubts	Refusing if doubts	Refusing	Refusing	Refusing if doubts	Refusing if doubts	Refusing

C.4. Verification of importer's knowledge

This section refers to procedures according to which the verification of importer's knowledge is carried out.

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1) General overview

Legal references

- Article 3.21 of the EU-Japan EPA
- Article 61 of the EU-UK TCA
- Article 3.23 of the EU-NZ FTA
- Article 3.19 of the EU-Chile ITA

The verification of importer's knowledge is a procedure by which information on the origin of the product and further additional information, as necessary, are requested directly from the importer by the customs authority of the importing Party.

The customs authority of the importing country verifies whether a product originates within the meaning of the origin chapter of the respective trade agreement and whether the other requirements of that chapter are satisfied (e.g. non-manipulation, the territoriality principle), and requests the respective information (see below sub-sections 3) and **Error! Reference s ource not found.**).

Where the customs authority of the importing country considers that additional information is necessary, they may request the importer to provide those additional elements as well as specific documents or information.

2) Denial of tariff preference

The tariff preference is denied where within the time limit of 3 months as of the date of the request for information by customs:

- no reply is received from the importer; or
- the information provided is inadequate to confirm the originating status of the product, e.g. the information provided by the importer clearly shows that the product is not originating.

The tariff preference is also denied where the information provided was insufficient to determine the origin of the product, customs requested additional information, and within another maximum time limit of 3 months as of that request:

- no reply is received from the importer; or
- the additional information provided is inadequate or still insufficient to confirm the originating status of the product.

Regardless of the applicable product specific rule of origin, the importer will also have to prove all the rules of origin are met, e.g. non-alteration of the product in third countries, insufficient operations etc. Where those requirements are not met, the customs authority of importing country may also deny the preferential tariff treatment to those products.

3) Requirements regarding information and supporting documentation

To demonstrate the preferential origin of the goods, the importer has to provide information and supporting documentation. This will vary from product to product, depending on its manufacturing process and the applicable rule of origin. However, there is certain information which is generally applicable to all products, such as on the production of the product and that it amounts to more than insufficient operations, the logistics of the movement of the product from a third country to the EU, or on the commercial activities between the involved economic operators.

There is no comprehensive list of documents or records to prove the originating status of the imported product based on importer's knowledge. Any documents or records are admissible if they make it possible to demonstrate the preferential origin of the imported product.

a) Requirements regarding information

i. Wholly obtained products:

This situation concerns a product which is wholly obtained within the meaning of the respective agreement. This would cover e.g. beef which is obtained from slaughtered animals born and raised there, or minerals extracted from a mine.

Example from Article 41 of the EU-UK TCA Wholly obtained products

Vegetables must be grown or harvested in the UK to obtain GB preferential origin upon importation into the EU (Article 41(1)(b) EU-UK TCA).

The importer shall hold the information proving that the products were wholly obtained in the United Kingdom, in particular on the exact location where the vegetables were grown, on the times when they were sown and harvested. Information on sanitary and phytosanitary conditions may also be useful.

ii. Products produced exclusively from originating materials

This refers to a product which is manufactured in the partner country with only materials originating in that country within the meaning of the respective agreement.

Example from Article 39 of the EU-UK TCA

Paper bag is made from paper originating in the UK (made from non-originating wood pulp) and handle made from wholly obtained recycled waste plastic (Article 39(1)(b) EU-UK TCA).

The importer should hold the information proving that the paper has been processed from wood pulp in the UK and the handle was made in the UK from recycled plastic waste collected there.

iii. Products that fulfil the product-specific rules of origin

The list rules confer originating status based on the following basic criteria:

- Wholly obtained requirement;
- Change in tariff classification;
- Value or weight limitation;
- Specific working or processing.

List rules sometimes combine these criteria and require or give manufacturers the choice to satisfy two or more of them at the same time.

(1) Manufacture from wholly obtained materials

Where the applicable rule of origin requires that a material be wholly obtained, this concept refers to products from plants and animals, e.g. fruits and vegetables grown or harvested in the country of export or mineral products harvested there.

Example: EU-Japan EPA

The rule for cheese (HS heading 04.06) requires:

"Production in which all the materials of Chapter 4 used are wholly obtained"

The milk used in the production in Japan of speciality cheese has to be wholly obtained in Japan (products i.e. milk, obtained from live animals raised there). Consequently, the cheese can be exported to the EU as originating in Japan.

The importer should hold the information proving that the milk comes from a cow raised on a certain farm in Japan, on the production lot of the cheese, on the conformity of the cheese as set out by governmental agencies in Japan regarding health, agriculture etc.

(2) Products obtained based on a change of tariff classification:

This product specific rule requires that the classification of the final product is different from that of the non-originating materials used in the production. The production operations carried out on the non-originating materials have to be more than insufficient.

The change may be requested at the level of the chapter (the first 2 digits of the Harmonised System), the tariff heading (4 digits) or the tariff subheading (6 digits).

In order to prove compliance with this rule, the importer should therefore know the tariff classification of the non-originating materials used in the manufacture of the imported finished product.

Example — EU-Japan EPA (Annex 3-B):

Chapter 91	*Clocks and watches and parts thereof*
9113.90	*CTH*

CTH = change of tariff heading

A watch strap made of fabric is produced in Japan. It can be composed of materials not originating in Japan if these materials are classified under a tariff heading different from the watch bracelet (i.e., different from heading 9113).

The importer should therefore have information on the manufacture of the bracelets, the specifications of the materials used, and their classification and description.

(3) Products obtained based on the value-based rule:

This rule generally sets a maximum value of non-originating materials expressed as a percentage of the ex-works price of the product. It may also be a minimum value added to be respected in the last processing country.

Example — EU-UK TCA (Annex 3):

Chapter 66	*Umbrellas, sun umbrellas, walking sticks, seat-sticks, whips, riding crops and parts thereof*
66.01 – 66.02	*CTH;* *Or* *MaxNOM 50% (EXW)*

In this case, there is a choice between the CTH and value-based rule. The latter rule was chosen for umbrellas manufactured in the United Kingdom to obtain GB preferential origin, i.e., the

value of the non-originating materials used did not exceed 50 % of the ex-works price of the product.

The importer should have the information necessary to demonstrate that the value of the materials not originating in the UK used does not exceed 50 % of the ex-works price of the umbrella. This includes the information on the ex-works price of the product and a breakdown of the value of the inputs used (originating and non-originating materials used, as well as all other incurred costs). Moreover, the importer may need to demonstrate that the originating materials are actually originating.

(4) Products obtained based on the weight-based rule:

This is a rule always used in combination with other rules, e.g. requiring a change of tariff heading and a maximum threshold for non-originating materials, expressed as a percentage of the weight of the finished product.

Example — EU-Japan EPA (Annex 3-B):

Chapter 17	*Sugars and sugar confectionery*
17.04	*CTH, provided that the total weight of the non-originating materials of headings 17.01 and 17.02 used does not exceed 40% of the weight of the product.*

In order to obtain Japanese preferential origin, chewing gum (tariff heading 1704) requires a change of tariff heading, and the weight of non-originating sugars used (under tariff headings 1701 and 1702) may not exceed 40% of the weight of the product.

The importer should have the information showing that all the materials used are classified in a different heading from that of the product, and that the weight of the non-originating sugar used is less than 40% of the weight of the chewing gum. He should have a description of the production process and production facilities, including on the production capacity and location of the factory producing the product, details on the machinery used in the production, specifications of the materials with weight indications and their classification, as well as the weight of the final product.

(5) Products obtained based on the manufacturing process rule:

This is a rule requiring specific processing on non-originating materials in order to confer preferential origin within the meaning of the respective agreement. It is a common rule in the textile and clothing sector as well as in the chemical sector.

Examples: manufacture from yarn (weaving and all the following steps must be carried out in the Party to confer the preferential origin of that Party), complete making-up (all the steps

following the cutting of the fabric must be carried out), the re-treading of used tyres, a specific chemical reaction, etc.

Example — EU-Japan EPA:

Chapter 62	*Article of apparel and clothing accessories not knitted or crocheted*
62.03	*Weaving combined with making-up including cutting of fabric; or* *Making-up including cutting of fabric proceeded by printing (as standalone operation).*

In this case, there is a choice between two processing rules. The first rule was chosen for men's trousers to obtain Japanese preferential origin, i.e., the yarn was woven into fabric from which the trousers were made-up.

In this situation, the importer should hold information showing that the processing required by the respective agreement has been carried out in the partner country. The information could include the description of the production process and production facilities, including on the production capacity and location of the factory producing the product, details on the machinery used in the production, financial reports of the exporter, information on the supply of the materials used.

b) Requirements regarding supporting documentation

The documents or records to be provided to prove importer's knowledge will depend on the respective origin criteria and other applicable rules of origin. Customs may also visit the premises, e.g. to get direct access to the records. In case of associated companies, access to exporter's records may be possible in this way.

The supporting documentation would include commercial and other documents provided by the exporter, documents issued by other governmental authorities in the EU or in third countries, or publicly available information.

The following non-exhaustive list shows documents or records that may be presented, as appropriate:

Examples of commercial and other documents held by the exporter may include:

- bill of materials/production card (which is a full list of materials, components and parts and the description of the manufacturing process required to manufacture a product);
- invoices/pro-forma invoices, purchase/sales orders, delivery notes, packing lists;
- contracts;

– extracts from the accounting system;
– technical data sheets, production drawings, photographs;
– third Party documents, e.g. bills of lading.

Examples of documents issued by other governmental authorities may include:

– extracts from records/registers;
– sanitary, veterinary, mining, compliance documents, etc.;
– inspection records by other governmental authorities;
– a geographical indication;
– decisions on origin or classification issued by the partner country (BOI, BTI);
– an intellectual property title;
– customs export declarations, etc.

Examples of publicly available information to assist in establishing the information provided by the importer may include:

– Shipping registers information;
– Trade registers information;
– Shipping movements;
– Financial statements;
– Statistical information on the countries, production or producers;
– Websites of the exporters;

The admissibility of the documents is left to the discretion of the customs authorities.

Thus, a spreadsheet, pictures of the manufacturing process or a supplier's declaration taken alone will not make it possible to assess the processes nor the place of production. They will need to be supplemented with commercial or contractual documents and information. Where the importer obtains the products from a supplier that has not manufactured them, he shall not claim tariff preferences based on importer's knowledge unless he is able to obtain from that supplier-reseller the documents and information necessary to show importer's knowledge.

4) Documents to be provided to apply for post-clearance tariff preference/repayment or remission of customs duties based on the importer's knowledge

Pursuant to Articles 22(1) UCC and 13(1) UCC DA, after acceptance of the request for repayment or remission, the competent customs authority may request information or documents it considers necessary to take a decision.

In that respect, there is no exhaustive list of supporting documents to be provided, nonetheless the following documents are frequently requested:

- copy of the amended customs declaration;
- invoices;
- sales/commercial contract;
- value details;
- product technical data sheets (manufacturing process);
- transport documents etc.

However, the post-clearance request for a tariff preference and the refund that may result therefrom remain exceptional procedures offered to economic operators.

In the event of a post-clearance request for preferential tariff treatment, the economic operators must be able to demonstrate that the goods are qualified for preferential treatment and all the requirements of Article 117 UCC are met.

When using importer's knowledge as the claim for preferential treatment and there have been no previous claims for tariff preference, the documentation would need to be equally thorough as described in the previous paragraphs.

5) Post-clearance change of basis for tariff preference and repayment or remission of customs duties

In the case where there has already been a claim for preferential tariff treatment based on importer's knowledge, and the economic operator makes a request to change that basis of the claim, depending on the preferential agreement, as there are different legal approaches. That change is always possible where the importer has a valid statement on origin, which he held at the date of the initial claim based on importer's knowledge.

Where an initial claim based on importer's knowledge is rejected and the importer submits a request for repayment or remission based on a statement on origin, a repayment or remission may be possible according to the preferential agreement and the Union Customs Code. For the specific application, see the guidance documents to the respective preferential agreements.