



## Checking your goods meet the appropriate preferential origin rules.

### Customs Information Paper 35 (2015)

<b>Who should read:</b>	All involved with importing goods under preferential arrangements
<b>What is it about:</b>	A reminder to importers about the conditions which you must meet before you make a claim to preference
<b>When effective:</b>	Immediately
<b>Extant until/ Expires</b>	Until further notice

#### 1. Introduction

The European Union (EU) has a number of preferential trade arrangements with certain individual countries or groups of countries outside the EU. These provide for particular goods originating in the countries concerned to be imported and entered to free circulation at zero or reduced rates of customs duty.

Preference law for all goods is contained in various EC/EU Regulations and Council decisions which are directly applicable in the UK through the [European Communities Act 1972](#). These Regulations and decisions are listed in the HMRC Tariff, [Volume 1, Part 7](#). If you do not have access to the Tariff, The [HMRC National Advice Service](#) will be able to tell you where you can find the law for particular preference receiving countries.

To get preference, you must meet certain basic conditions and the rules set out in the relevant trade agreement.

#### 2. Conditions for Claiming Preference

There are three basic conditions which you must meet before making a claim to preference:

- Your goods must meet the appropriate preferential rule of origin.
- You must hold a valid proof of origin – GSP Form A, Form EUR1, Form EUR-MED or Invoice Declaration (depending upon the preferential arrangement concerned).
- You must be able to show that the goods you import are the same products as those exported from the country where they are declared

to have originated and have not undergone any processing or been manipulated or altered in any way.

If you suspect the accuracy of any of the information received you should seek further written confirmation from your supplier.

### **3. Meeting the origin rule**

Origin rules will vary depending on the trade agreement. You can check that your goods meet the origin rule by reading the appropriate Customs Notice:

- [Notice 812 European Community Preferences - Trade with Turkey](#)
- [Notice 828 Tariff Preferences - rules of origin for various countries](#)
- [Notice 830 Tariff Preference - new Generalised System of Preference rules of origin](#)
- [Notice 832 Tariff Preferences - rules of origin for Mexico](#)

### **4. Ensuring that you hold a valid proof of origin**

The origin rules in all of the EU's preferential trade arrangements stipulate that GSP Forms A, EUR1 and EUR-MED Movement Certificates must meet certain requirements as regards:

- size
- weight of paper
- layout
- background – which must consist of a green guilloche (ornamentation imitating braided or interlaced ribbons) pattern.

The certificate must also contain (in Box 11) the stamp (a specimen of which has been sent to the European Commission and circulated to Member States Customs authorities) of the Customs or other Governmental authority in the preference receiving country which is responsible for authenticating the proof concerned.

It is important you check that the certificates you receive are authentic and contain a valid stamp. Certificates which do not comply with the requirements concerning size, colour, layout etc. or which do not bear a stamp matching the specimen which we have received from the Commission, are not acceptable to support claims to preference.

It is also important that you make these checks at an early stage because if you are in possession of an “irregular” certificate in terms of size, layout etc., or it bears a stamp which is different in some way from that which is normally used to authenticate the document, you can ask your supplier to replace it with a valid retrospective proof of preferential origin, on the grounds that the original document was not accepted for technical reasons. However, suppliers/exporters in preference receiving countries are only required to keep

evidence/documentation relating to the origin of their goods for three years. Therefore, if you leave it too long you risk being unable to obtain a valid retrospective certificate.

If when you are scrutinising your certificates you have doubts as to their authenticity or you notice irregularities – such as their layout is slightly different from the norm, there are spelling mistakes in the headings in the boxes, or the stamp in Box 11 is different from the norm (for example, in terms of size) – and you need to confirm they are valid, please contact the HMRC National Advice Service for advice.

An Invoice Declaration is a declaration given on the commercial invoice or other commercial documentation such as the packing list or consignment note. It does not have to be signed or stamped by a government authority but it must comply with the information requirements set out in Section 12 of [Notice 826 Tariff Preferences - Imports](#).

## **5. Demonstrating that your goods comply with direct transport/non-manipulation requirements**

To claim preference you must be able to show that the products released to free circulation in the European Union are the same products as exported from the preference receiving country in which they are considered to originate and must not have been altered or transformed in any way.

For the purposes of the Generalised Scheme of Preferences (GSP), where HMRC has reason to believe that this requirement has not been met we may request evidence of compliance. This can be provided by any means including: contractual transport documents such as bills of lading or factual or concrete evidence based on marking or numbering of packages or any evidence related to the goods themselves.

Many of the EU's preferential trade arrangements also require goods to be transported direct from the preference receiving country to the European Union, however they do recognise that goods will often have to pass through or temporarily stay in a third country en route to the EU for geographical or transport reasons. Some preference receiving countries are grouped together for transport purposes (see Notice 826). This means that goods can move through countries in the group without breaking the direct transport rule and without needing to obtain evidence (see below) to confirm that the rule has been met.

With the exception of goods moving through countries in a regional transport group, importers must hold evidence which demonstrates compliance with the direct transport rule, in respect of every consignment they import under preference. This evidence must confirm that where the goods have temporarily stayed in a third country en route, they have remained under Customs control and have not been subject to any form of processing other than loading or unloading, or an operation designed to keep them in good condition (in other words that they have not been manipulated in any way

which could result in them losing the preferential origin of the country from which they were originally exported).

Evidence to support compliance with the direct transport rule can be:

- A transport document (or documents), such as a through bill of lading or airway bill, covering the transport of the goods from the preference receiving country to the EU.
- A certificate or statement of “non-manipulation” provided by the Customs authorities in the third country, under whose control the goods remained during their stay, or
- Any other substantiating documents such as orders or purchase contracts which indicate that the goods left the preference receiving country concerned and were always intended for the EU.

You must produce this evidence in respect of every consignment for which HMRC has doubts about compliance with the direct transport/non-manipulation requirements.

## **8. Where can I find out more information?**

You can find out more about this subject in Notice 826 Tariff preferences – imports.

You should also read Customs Information Papers:

36 (2015) Checks an importer should make on origin before claiming preference

34 (2015) Retention of tariff preference documents

The HMRC Tariff, Volume 1, part 7 (Preferences) contains a list of all the countries which receive preferential treatment.

Other public notices on this or related subjects:

- [Notice 827 European Community Preferences - export procedures](#)
- [Notice 831 European Community - Binding Origin Information](#)

## 9. Contacts

You can obtain further information by contacting:

HMRC  
Customs Directorate, Products and Processes, Origin Policy  
10th Floor Central  
Alexander House, 21 Victoria Avenue  
Southend on Sea  
Essex  
SS99 1AA

Email:

Policy, Duty Liability (Customs) <dutyliability.policy@hmrc.gsi.gov.uk>

Issued on **5 October 2015** by Customs Directorate, HMRC.

For general HMRC queries speak to the VAT, Excise and Customs Helpline on Telephone: 0300 200 3700.

Your Charter explains what you can expect from us and what we expect from you.  
For more information go to: [Your Charter](#)

