

Rules of Origin Factsheet

Satisfying the Rules of Origin are an essential part of being able to claim preferential duty rates when trading between Great Britain and the European Union.

Background

The EU–UK Trade and Cooperation Agreement (TCA), has allowed for preferential rates of duty between GB and the EU, however, in order for businesses to benefit from this they now need to ensure that their goods comply with origin rules set out in the TCA, and that they have provided the appropriate documentation to prove it.

Many businesses have struggled with the complexity of the new regulations and how to correctly complete the appropriate paperwork so that their goods can benefit from zero tariffs and that they are not charged duty when they arrive at customs. This guide will outline some of the commonly arising issues businesses have faced regarding origin rules since January 1st, and provide useful links and contacts that can help to provide clarity.

Commonly Asked Questions

1. How can I determine the origin rules of a product I am seeking to export to the EU?

The EU commission's online Rules of Origin Self-Assessment Tool (ROSA) offers guidance in simple steps to help determine the origin rules relating to a specific product. This guide is useful in determining whether the product will be eligible for lower or zero duties. The ROSA tool is available here

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

2. I have to provide a Certificate of Origin for my products which use some non EU components, how do I do this?

You will need to complete a Bill of Materials, which requires you to provide specific details of each component part of your product.

Go Exporting have provided a useful free Bill of Materials guide which outlines some of the key issues and provides a free workbook. It is available here <https://goexporting.com/rules-of-origin-guide-workbook>

3. What are the criteria for a product to be classed as UK origin?

For a product to be classed as UK origin, one of five criteria will have to be met:

1. Cumulation of origin
2. Sufficient processing
3. Wholly obtained
4. Tolerance
5. Accounting segregation

For more detail as well as some examples of how to meet these criteria, visit the UK government website www.gov.uk/government/publications/rules-of-origin-for-goods-moving-between-the-uk-and-eu/general-provisions-checking-your-goods-meet-the-rules-of-origin

4. If something is shipped from UK to EU made in a different country (e.g. India), how does the EU calculate duties payable? Is it the same as if the product had come directly from the country of origin (i.e. India)?

Rules of Origin ensure that only goods produced in the countries party to the Free Trade Agreement (the UK or the EU) benefit from zero tariffs. If the goods have been imported from India to the UK - then the economic nationality of the goods is still India, unless the goods undergo significant and specific transformation in the UK. You can read the rules for your specific product here www.gov.uk/government/publications/rules-of-origin-for-goods-moving-between-the-uk-and-eu

Useful Sources

Go Exporting – Rules of Origin guide and Bill of Materials template

<https://goexporting.com/rules-of-origin-guide-workbook/>

Various useful gov.uk links

www.gov.uk/government/publications/rules-of-origin-for-goods-moving-between-the-uk-and-eu/general-provisions-checking-your-goods-meet-the-rules-of-origin

www.gov.uk/government/publications/rules-of-origin-for-goods-moving-between-the-uk-and-eu

www.gov.uk/government/publications/eur1-and-eur-med-movement-certificate

www.gov.uk/government/publications/import-and-export-application-for-approved-exporter-status-c1454

European Commission’s Rules of Origin Self-Assessment Tool (ROSA)

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

Further Support & Information

Department for International Trade (DIT) – a regional network of international trade advisers (ITAs) assist small and mid-sized companies in a wide range of business sectors. ITAs can provide assistance with any EU transition related issues and are supported by the DIT's range of products and services and DITs worldwide network of over 1,400 staff based in 108 countries. These teams can provide advice and signposting in-market.

Contact DIT South East to find out more

www.great.gov.uk/contact/office-finder

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E: info@tradesoutheast.co.uk

International Trade Matters

<https://internationaltradematters.com>

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Institute of Export Helpline

<https://www.export.org.uk>

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