

PREFERENTIAL RULES OF ORIGIN

Joint CEFS-EFFAT meeting
28.2.2008

CURRENT REVISION OF PREFERENTIAL RULES OF ORIGIN

TWO DIFFERENT SYSTEMS PLANNED FOR :

- **GSP (as from 1.1.2009)**
- **EPA (as from 1.1.2008)**

As soon as agreements are signed

***The EPA system is in principle
established for a transitional period***

EPA STANDARD RULES

Council Regulation

**In principle these rules are similar to the
Cotonou rules applying until now,
with some adjustments :**

Sufficient processing

Practically the same as now (70 % added value)

Minimal operations

Improved with introduction of
sugar specific operations

*colour sugar, form sugar lumps, partial or total milling AND
« mixing of sugar with any other material ».*

EPA - CUMULATION

- Sugar and high sugar content products are excluded from cumulation with OCTs until 2015.
- The same products are excluded from cumulation with South Africa (+ a number of additional sugar products).
- *For neighbouring developing countries, the request of cumulation should be authorised by the Customs Code Committee*

REVISION OF GSP RULES OF ORIGIN COMMISSION REGULATION

- **Commission hopes to get the agreement of the Customs Code Committee before the Summer break for implementation on 1.1.2009.**
- *Some major Member States are challenging the draft Commission Regulation.*
- **The industry is globally opposed.**

ADDITIONAL CRITERIA PROPOSED FOR SUGAR

For sugar the additional criteria proposed in the framework of sensitive agricultural products is globally satisfactory.

For sugar and products containing more than 20 % of sugar non originating raw materials cannot exceed 15 % in weight.

Mixing of sugar with any material does not confer the origin.

ISSUES STILL TO BE CONFIRMED

REFINING

Refining should never confer the origin.

*CEFS is asking that it is considered
as a minimal operation
or a compulsory change in 4 digit heading*

CUMULATION

Cumulation must be prohibited
for sugar and sugar products.

*This has still to be accepted by the national experts
and confirmed in the Com Regulation.*

ACTION TO BE CONDUCTED AT NATIONAL LEVEL

**Even if the draft Commission Regulation was
revised by national experts**

CEFS must make sure that :

- **Mixing of sugar with any material remains
a minimal operation.**
- **Refining does never confer the origin**
 - **Cumulation is prohibited for sugar
and sugar products**
- **The tolerance rule of non originating material
does not exceed 15 % in weight.**

HIGH SUGAR CONTENT PRODUCTS

NOTICE TO IMPORTERS : A HELPFUL TOOL

In November the Commission published a notice to importers asking the operators to systematically check the origin of 10 high sugar content products.

This is applying to all agreements concluded by the EC as well as unilateral arrangements with countries or group of countries.

This list has already been used in EPA Reg. and Montenegro Agreement.

It should be used in GSP as well as in all other bilateral trade agreements.