

Rules and Proof of Origin for Preferential Trade Schemes and Agreements Q&A

General

Q 1. What is the time limit for preferential rate claims?

Preferential duty rate can be claimed at the time of import when the shipment is accompanied by the supporting preference documentation.

If the supporting paperwork is not available, the full import duty must be paid, and can be reclaimed when the documentation is available to present to the authorities.

Retrospective claim can be made during the validity period of the preferential documentation, and generally within 3 years of importation date when trading with the EU and within 2 years when trading with DCTS countries, it differs depending on the specific trade agreement.

Q 2. If goods are imported into the UK into free circulation, do they lose their preference? Can storing them under bond and then shipping to the EU allow them to retain their preference of origin?

Goods imported into the UK and released for free circulation lose their preferential status. However, if these goods were stored under bond instead and subsequently shipped to the EU, they may still be eligible for preferential treatment based on their origin if accompanied by a proof of origin issued in accordance with the EU's trade agreement with the country of origin.

Q 3. When claiming preference based on Importers Knowledge, is there a value limit?

There is no specific value limit associated with claiming preference based on Importers Knowledge. However, importers must ensure that they have sufficient evidence to support their claim.

Q 4. Can an importer in the UK claim preference based on a supplier invoice if the import customs invoice is issued without preference?

Preference cannot be claimed solely based on a supplier invoice. Importers must provide valid proof of origin, such as a certificate of origin, origin declaration or other relevant documentation that satisfies all the requirements for being a preferential proof of origin specific to the trade agreement.

Q 5. What support is available for preferential trade schemes and agreements?

Members can contact HMRC support team via:

DCTSenquiries@fcdo.gov.uk

UK – EU Free Trade Agreement

Q 6. If there is an Italian REX number displayed on the invoice and the goods are of Italian and French origin, can I use the ITREX number to claim duty free for the French goods as well as the Italian goods?

Yes, EU established exporters can issue origin declaration for goods originating from any of the EU member states.

Q 7. Regarding the Trade and Cooperation Agreement (TCA) with the EU, what level of evidence must importers keep for claiming preference, and how long should such evidence be retained?

Importers should maintain evidence that demonstrates the origin of the goods. The specific level of evidence will depend on the type of proof being declared. In the case of importer's knowledge it must be detailed enough to show how the goods complied with the TCA. Evidence for preferential tariff treatment made out by the exporter must be kept for 4 years from the date of importation.

Q 8. If the total shipment value exceeds 6000 EUR but the dutiable item value is below that threshold, is a Registered Exporter (REX) number still necessary?

The 6000 EUR threshold is applicable to all EU origin goods shipped within the consignment.

Q 9. Is the EUR 6000 threshold based on the GBP exchange rate as of the month of export from the EU or the date of declaration/clearance into the UK?

The threshold is a fixed amount set by HMRC to 6000 EUR or 5400 GBP

Q 10 What document / statement is required from a UK exporter to satisfy the EU customs for goods being shipped UK to EU and claiming preference under TCA?

If the UK exporter / producer is providing the proof of origin then they must provide a statement on origin to the EU importer.

Detailed instructions can be found on the HMRC webpage.

<https://www.gov.uk/guidance/proving-originating-status-and-claiming-a-reduced-rate-of-customs-duty-for-trade-between-the-uk-and-eu>

Developing Countries Trading Scheme

Q 11. Will REX certificates from India still be accepted as proof of preference?

There is no such thing as a REX certificate but HMRC will not deny preference if an origin declaration – that has been issued in accordance with the UK's DCTS – contains the exporters REX number if that is the number recognised as the identification number in the country of origin.

Q 12. Can you confirm if the Form A showing GSP (Generalized System of Preferences) is still valid?

Yes, the FORM A, referring to GSP, remains valid and will continue to do so. The only amendments being made to the form are to acknowledge that the UK is no longer in the EU and to note that the UK's GSP is called DCTS. Members will be notified via a public announcement and the updated form will be available for download from the HMRC website.

<https://assets.publishing.service.gov.uk/media/649c324d45b6a200123d4461/DCTS-Proof-of-Origin-Notice.odt>