



European
Commission



Do you want to **export** to the EU?

Export Helpdesk is the right tool to use.

**Generalised Scheme of Preferences
Electrical Equipment**

The “Generalised Scheme of Preferences” (GSP) is a set of rules allowing exporters from developing countries to **pay lower duties on some or all of what they sell to the EU.**

To check if your case can benefit from the GSP, visit the Export Helpdesk website: www.exporthelp.europa.eu under “My Export”.

To benefit from the GSP, you will have to prove that your product “originates” in your country.

What is ‘origin’ and what are the rules of origin for?

Origin is the ‘economic’ nationality of goods traded in commerce.

It is the origin that determines which duties apply to your product when it enters the EU market.

The **rules of origin** are used to determine whether a product may be considered as sufficiently linked to the country from which it is exported to say that it ‘originates’ from there.

To benefit from a GSP preferential tariff when exporting to the EU, refer to the GSP’s rules of origin applying to your electrical equipment.

Be aware that the rules of origin applied to each country are not identical in all cases.

Basic concepts of rules of origin

Goods wholly obtained in your country

Production does not involve any country other than your own.

Electrical engines originate in your country when they are manufactured from components that were themselves completely manufactured in your country from local parts.

Goods sufficiently transformed in your country

Production involves more than your country.

The EU rules of origin define — for each product — the degree of processing that must be carried out in your country for the product to claim originating status.

Three basic criteria determine if a product was sufficiently transformed in your country.

- Value added rule: compare the price of the parts not originating in your country with the ex-work price of your final product.
- Change of tariff classification: compare the product code (four-digit tariff classification) of the materials not originating in your country with the product code of your goods.
- Specific operations: you should carry out the quoted processing.

In some cases, the applicable rule may involve a combination of the above criteria. Be aware that rules of origin are different if you come from a Least Developed Country.

Cumulation

Cumulation allows you to claim originating status for components that don't originate in your country, but are used in the production process in your country.

Under the GSP, the following types of cumulation are possible:

■ Cumulation among your region:

materials originating in your regional group can be used in your product and then considered as originating in your country. The GSP regional groups are:

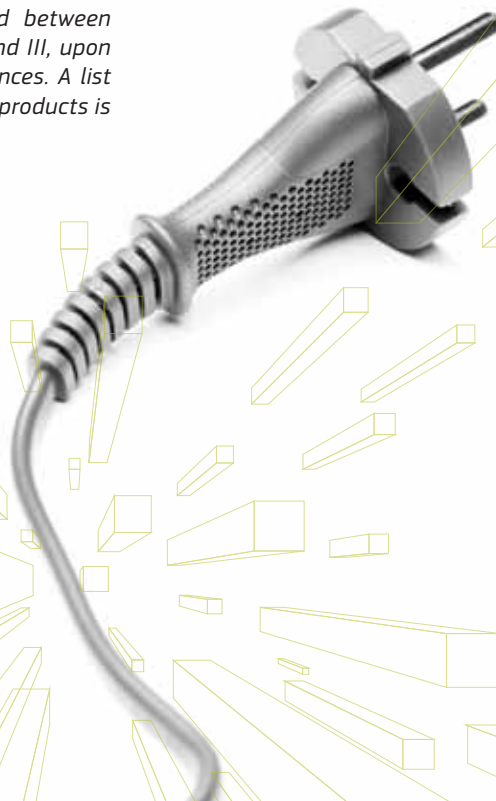
- Group I: Brunei-Darussalam, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam.
- Group II: Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Peru, Venezuela.
- Group III: Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka.
- Group IV: Argentina, Brazil, Paraguay and Uruguay.

Cumulation can also be applied between individual countries in groups I and III, upon request, and in certain circumstances. A list of eligible countries and excluded products is available in the Export Helpdesk.

■ **Cumulation with the EU:** materials originating in the EU can be used in your product and then considered as originating in your country as long as the processing done locally goes beyond minimal.

■ **Cumulation with countries having a free trade agreement with the EU:** materials originating in countries having a free trade agreement with the EU can be used in your product and then considered as originating in your country as long as the processing done locally goes beyond minimal. You can find the updated list of countries at the Export Helpdesk. This type of cumulation applies only after the EU has authorised a request from your country.

■ **Cumulation with Norway, Switzerland and Turkey:** non-agricultural materials originating in Norway, Switzerland and Turkey can be used in your product and then considered as originating in your country as long as the processing done locally goes beyond minimal.



Direct transport or non-manipulation

Upon request, your importer must be able to prove to EU customs authorities that the electrical equipment bought to you and originating in your country hasn't been altered elsewhere before arriving in the EU.

You need to verify that your product has been sent from your country to the EU without being altered or transformed in another country. If your product "transit" in another country, it must not be altered or separated and it has to be under the vigilance of customs authorities.

Minimal operations

To claim originating status the production steps carried out in your country must go beyond the minimal operations listed in the agreement, such as packaging or simple assembling. If only the steps listed were carried out in your country and nothing else was produced or transformed there, the electrical engine cannot be considered as originating in your country.

The full list of minimal operations is available at the Export Helpdesk.

Specific rules for electrical engines

All products have specific rules of origin. There are also different rules of origin for 'least developed countries' (LDCs) and for non-LDCs. For details, conduct a search in the 'My Export' section of the Export Helpdesk.

If your electric motors is classified in heading 8501, in order for your engine to get preferential origin, you can either decide that you won't be importing any inputs classified in the same heading or in heading 8503, or chose to import some of these inputs but, in this case, you will need to make sure that the value of all the non-originating inputs used doesn't represent more than 50% of the price of your engine when the exporting country is a non-LDC (70% when it is a LDC).

Tolerance

Parts whose import is limited or forbidden by the product specific rule may still be used if they do not exceed 15% of the product's ex-work price.

Submitting proof of origin

To claim the tariff preference, you need to prove that your electrical equipment originates in your country and fulfils all conditions. For this, you need one of the following documents.

- **Certificate of Origin Form A:** this is needed for consignments valued more than 6000€ and it is issued by your country's authorities. You can download the template at the Export Helpdesk. Be prepared to submit documents proving the originating status of your electrical equipment.
- **Invoice declaration:** for consignments valued 6000€ or less, you can fill out a declaration. To make an invoice declaration, you should **type, stamp or print the following declaration** on the invoice, delivery note or other commercial document:

'The exporter of the products covered by this document (customs authorisation No ...) declares that, except where otherwise clearly indicated, these products are of the Generalised Scheme of Preferences preferential origin'.

Important: You must date and sign your declaration by hand.

Proofs of origin remain valid for 10 months after issue.



How to export to the EU?
Check it at www.exporthelp.europa.eu

The European Union (EU) is the world's largest single market. Therefore, many exporters around the world want to export their products to the EU to meet the large consumer demand.

Sometimes, however, exporters feel that they lack information on how to export to the EU and how to meet EU norms. Yet the information is there!

Indeed, with the Export Helpdesk, you can find all the facts and figures you need: information, forms and contacts.

The challenge is there.
Interested in accessing the European market?
Check the Export Helpdesk at www.exporthelp.europa.eu

