RULES OF ORIGIN FOR TRADING WITH THE EU:

A SHORT EXPLAINER FOR SMEs

What are Rules of Origin?

Rules of Origin determine the economic nationality of a good under a Free Trade Agreement (FTA). Businesses need to know about them because the Trade and Cooperation Agreement (TCA) means they can trade with the EU without paying tariffs – but only if their product meets the relevant Rules of Origin.

How do Rules of Origin impact my business?

To export tariff-free into the EU, traders must check their goods meet the Rules of Origin requirements set out in the Trade and Cooperation Agreement **and** have the right documentation. If your goods do not meet the Rules of Origin, they may face a tariff upon export to the EU.

What action do I need to take?

Watch the new on demand video which summarise Rules of Origin processes for businesses.

Then, if you are a UK exporter and your EU importer wants to claim zero tariffs on your goods, there are 3 key steps to work out whether your goods comply with rules of origin:

> 1. Classify your good – every good has a commodity code and a list is available on gov.uk

> 2. Understand whether your good meets the applicable rule of origin from the TCA *(Chapter 2 as well as Annexes ORIG-1 to ORIG-4 will be most useful).* You can also use the export checker tool to find out what rule of origin applies to your exports.

> 3. Understand how to demonstrate origin to the customs authorities.

For help in working out whether your goods comply and how to demonstrate this to customs authorities, read the Rules of Origin Guidance on trading with the EU.

You may choose to use a customs agent to help you with Rules of Origin and there is guidance available here on how to find one.

Useful Resources

For any further queries or general business advice you can contact BEIS' dedicated business support helplines or ask customs and tax related queries and other border related queries on one of our forums. There is specific guidance and training on moving goods into, out of, or through Northern Ireland on gov.uk. You can also use the Brexit Checker tool on gov.uk/transition, which will provide you with a personalised list of the most up to date actions that your business needs to take.