European Commission

EN

EU-CHILE INTERIM TRADE AGREEMENT 2024

GUIDANCE DOCUMENT ON RULES OF ORIGIN

UCC
SIMPLICITY SERVICE SPEED
A MODERN FRAMEWORK
FOR CUSTOMS AND TRADE

Taxation and
Customs Union

EU-Chile Interim Trade Agreement 2024

Guidance document on rules of origin

Contents

DISCLAIMER This guidance document is not legally binding. It should be read in conjunction with the text of the EU-Chile Interim Trade Agreement. The text of the Agreement, EU customs legislation, the legislation of EU Member States and Chile, all take precedence over this document. The authentic texts of EU legal acts are published in the Official Journal of the European Union. There may also be national instructions. This guidance prevails where its content is more specific than that of the general Guidance on preferential origin. This guidance document was drafted by a dedicated Customs Programme Project Group (CPG 024) and endorsed by the Customs Expert Group – Origin Section.

1. INTRODUCTION

On 1 February 2025, the new EU-Chile Interim Trade Agreement[1] ("ITA") entered into force. This agreement is the successor to the 2002 EU-Chile Association Agreement ("Association Agreement").

ITA removes most of the remaining trade tariffs on goods. It includes a modernisation of preferential rules of origin, which determine the 'economic nationality' of a product. If a product originates in the EU or Chile, it may benefit from preferential tariff treatment when imported in the other Party if the conditions of the chapter on rules of origin are met.

ITA replaces the previous proofs of origin and associated concepts (i.e. the movement certificate EUR.1, the invoice declaration and the approved exporter system) with the concepts of self-certification by exporters using the statement on origin with REX number (including for multiple shipments of identical products) and importer's knowledge. The product specific rules have been harmonised, simplified and relaxed for many products.

This guidance aims to explain and clarify the modernised rules of origin. Where necessary, it also explains the difference from the old rules of origin and how to deal with the transitional provisions.

2. CLAIM FOR PREFERENTIAL TARIFF TREATMENT

Legal references: Articles 3.16 and 3.27 ITA

2.1 General

Preferential tariff claims in the EU are made by the importer for goods that originate in Chile and meet the conditions of ITA. The importer is responsible for the correctness of the claim and for compliance with the respective requirements (Article 3.16(1)).

Claims for preference are made on customs declarations for release for free circulation at the time of importation (Article 3.16(3)). A claim may equally be made after importation within two years of the importation date (Article 3.27).

A claim has to be based on one of the following proofs of origin:

− a statement on origin, made out by the exporter, that the product is originating (Article 3.16(2)(a)); or

− importer's knowledge that the product is originating (Article 3.16(2)(b)).

Changes from the Association Agreement to ITA
Whereas the claim for preferential tariff treatment under the Association Agreement was made by means of either a movement certificate EUR.1 certified by an exporter's customs authority, or an invoice declaration given by an approved exporter, under ITA a claim is based on either a statement on origin made out by an exporter or importer's knowledge that the product is originating.
The period permitted for claiming a refund after the goods are imported and declared into free circulation remains unchanged at two years.

[1] https://eur-lex.europa.eu/eli/agree_internation/2024/2953/oj

Record keeping provisions have remained unchanged at three years, except that exporters are required to keep for four years copies of the statements on origin they issue, along with supporting records demonstrating the products satisfy the origin rules.

Transitional measures
The only claims that are allowed in declarations for free circulation from the date of entry into force of ITA, 1 February 2025, are those based on a statement on origin, or those based on importer's knowledge, as appropriate.
The only claims allowed for goods declared for free circulation before 1 February 2025 are those based on a movement certificate EUR.1 or based on an invoice declaration.

Example 1 - Goods exported from Chile in December 2024 are declared for release for free circulation in the EU on 31 January 2025. The claim for preferential tariff treatment for these goods must be based on an EUR.1 certificate or an invoice declaration.

Example 2 - Goods exported from Chile in March 2025 are declared for release for free circulation in the EU on 1 May 2025. Any claim for preferential tariff treatment for these goods must be based on a statement on origin, or on importer's knowledge.

Example 3 - Goods exported from Chile in December 2024 are declared for release for free circulation into EU on 1 February 2025, following a period in transit or in temporary storage in a bonded warehouse or free zone. Any claim for preferential origin for these goods must be based only on a statement on origin. The claim cannot be based on importer's knowledge.

Example 4 - Claim after release for free circulation (see also Chapter 2.3 below): goods released for free circulation without preference in October 2024, claim made in April 2025. Goods are exported from Chile and declared for release for free circulation in the EU in October 2024 without claiming preferential tariff treatment. In April 2025, a retrospective claim for preferential origin is made for these goods under the provisions of the Union Customs Code (UCC). Any such retrospective claim must be based on an EUR.1 certificate or an invoice declaration.

2.2. Data elements (D.E.) / codes to be used in the EU for customs declaration for release for free circulation:

− D.E. Region or country of preferential origin / status 16 09 000 000 (former Box 34 / D.E. 5/16):

  o ISO country code 'CL' for Chile

− D.E. Preference 14 11 000 000 (former Box 36 / D.E. 4/17):

  o preference code 300

  o preference code 320 for preferential quota

− D.E. type of supporting document 12 03 002 000 (former Box 44 / D.E. 2/3):

  o U123 Statement on origin

  o U124: Statement on origin for multiple shipments of identical products

  o U125: Importer's knowledge

2.3 Claim for preferential tariff treatment after importation

Legal reference: Article 3.27 ITA

Importers may apply retrospectively for preferential tariff treatment if they have not already claimed it when the goods were declared for release for free circulation, no later than two years after the date of the release for free circulation.

Additionally, where a claim is based on a statement on origin, it must be made within its validity period of one year.

2.4 Record keeping

Legal reference: Article 3.20 ITA

For a minimum of three years after the date on which the claim for preferential tariff treatment was made or for a longer period that may be specified in national legislation, an importer shall keep:

(1) the statement on origin made out by the exporter, if the claim was based on a statement on origin, or

(2) all records demonstrating that the product satisfies the requirements to obtain originating status if the claim was based on importer's knowledge.

An exporter who has made out a statement on origin shall, for a minimum of four years after that statement was made out or for a longer period provided for in the law of the exporting Party, keep a copy of that statement and other records demonstrating that the product satisfies the requirements to obtain originating status, including, where applicable, supplier's declarations. The statement on origin or the records may be held in electronic format.

3. STATEMENT ON ORIGIN

Legal references: Articles 3.16(2)(a), 3.17 and 3.18, Annex 3-C (Statement on origin), Annex 3-E (Explanatory Notes) ITA

3.1 General

A statement on origin may apply to either:

− a single consignment, or

− multiple shipments of identical products within any period specified in the statement on origin but not more than 12 months from the date of the first import.

It consists of a prescribed text and blank fields to be completed by the exporter in accordance with the information in the footnotes and may be typed, printed, stamped or hand-written on an invoice or any other commercial document (e.g., packing list, delivery note, pro-forma invoice) that describes the originating product in enough detail to allow it to be identified. Any non-originating products, which may be on the document, should be clearly distinguished from originating products. The document bearing the statement on origin may be provided electronically. The exporter has to reproduce the prescribed text and should not alter it (Annex 3-C). Customs authorities will not reject the claims in case of minor errors or minor discrepancies in the statement on origin (Article 3.18).

The exporter shall be responsible for the correctness of the statement on origin and the information provided (Article 3.17(2)). He must hold information showing that the product is originating. This may include information on the originating status of materials used in production and declarations obtained from suppliers.

A statement may be made out in English or any of the other official languages used in the EU (Article 3.17(3)).

"[For multiple shipments]: Period: from _____ to _____ (1)

The exporter of the products covered by this document (Exporter reference No... (2)) declares that, except where otherwise clearly indicated, these products are of ... preferential origin (3) .

……..

(Place and date (4))

……..

(Name and signature of the exporter (5))

(1) If the statement on origin is completed for multiple shipments of identical originating products, indicate the period for which the statement on origin is to apply. That period shall not exceed 12 months. All importations of the product must occur within the period indicated. If a period is not applicable, the field may be left blank.

(2) Indicate the reference number by which the exporter is identified. For the European Union exporter, this will be the number assigned in accordance with the laws and regulations of the European Union. For the Chilean exporter, this will be the number assigned in accordance with the laws and regulations applicable within Chile. Where the exporter has not been assigned a number, this field may be left blank.

(3) Indicate the origin of the product: Chile or the European Union (EU). When the statement on origin relates in whole or in part, to products originating in Ceuta and Melilla within the meaning of Article 3.29 of the Chapter, the exporter must clearly indicate them in the document on which the declaration is made out by means of the symbol "CM". (4) Place and date may be omitted if the information is contained on the document itself.

(5) In cases where the exporter is not required to sign, the exemption of signature also implies the exemption of the name of the signatory.

With regard to footnote 1, the exporter has to include the period of validity only in case of multiple shipments of identical products. For a single consignment, the field has to be left blank.

3.2 Reference number – EU exporters

EU exporters should indicate their valid REX number in the statement on origin. However, exporters not registered in the REX system may make out statements on origin solely for consignments of originating products not exceeding EUR 6 000. In both cases the signature of the statement on origin is not required.

Details on how to register in the REX system can be found on DG TAXUD website:

REX – Registered Exporter system - European Commission (europa.eu)

To apply for a REX registration, exporters should submit their application through the REX system via the EU Trader Portal or to their competent customs office.

3.3 Reference number – Chilean exporters

The National Customs Service of Chile will require exporters to include their Tax Identification Number (*commonly referred to in Spanish as "Rol Único Tributario" or "**RUT**"*[2]) as a reference number in the statement on origin, regardless of the value of the originating products in the shipment.

The RUT follows this structure: XX.XXX.XXX – Y, where "X" is always a number and "Y" a control number or letter (for example: 12.345.678-9, or 98.765.432-K). It is important to note that while the RUT is traditionally written with full stop signs (".") separating thousands and a hyphen ("-") before the verification digit, the absence of these punctuation marks does not affect its validity. For instance, "123456789" or "98765432K" would still be acceptable as valid RUT formats.

Additionally, all origin statements issued by exporters must include their name and signature.

3.4 Origin of the product

EU exporters shall indicate the origin of their products with the words "European Union", "EU" or equivalent in the official language versions of the EU. EU exporters should not indicate a Member State. "Chile" should be indicated on statements on origin made by Chilean exporters.

A double indication "European Union / Chile" is not allowed, since EU exporters may not certify Chilean origin, and vice versa.

3.5 Document on which the statement on origin is made out

Legal reference: Article 3.17, Annex 3-E (Explanatory Notes)

When an invoice or other commercial document includes originating and non-originating products, the products should be identified as such in these documents, and non-originating products shall be clearly identified separately. There is no set way to identify separately the non-originating products. However, it could be done by:

(i) indicating in brackets behind every item of goods on the commercial document whether the products are originating or not;

(ii) using two headings on the invoice, namely originating products and non–originating products and listing the products under the corresponding heading; or

(iii) attributing a number to each of the products and indicate which of the numbers relate to originating products and which relate to non–originating products.

A statement on origin made out on the back of the invoice or any other commercial document is acceptable.

[2] See the https://zeus.sii.cl/cvc/stc/stc.html webpage for checking the validity of RUT

A statement on origin can be made out by typing, printing, handwriting or stamping the text on the invoice or other commercial document, including a photocopy of the document. The document should show the name and full address of the exporter and consignee, as well as a detailed description of the products, to enable their identification. The date on which the statement on origin was made out shall be mentioned only if different to the date of the invoice or other commercial document. If the tariff classification is mentioned, it should preferably be indicated at least at a heading level (four-digit code) under the Harmonized System on the invoice or other commercial document. The gross mass (kg) or other unit of measurement, such as liters or m^3, of all the originating products should also be indicated as appropriate.

A statement on origin can be made out by the exporter on a separate piece of paper, with or without a letterhead of the exporter. If it is made out on a separate sheet of paper, that separate sheet must be part of the invoice or other commercial document by having a reference from the invoice or other commercial document to the separate sheet of paper or vice versa.

If the invoice or other commercial document contains several pages, each page should be numbered, and the total number of pages should be mentioned. A separate sheet with the statement on origin can make reference to that invoice or other commercial document.

The statement on origin may be made out on a label that is permanently affixed to an invoice or other commercial document provided that there is no doubt that the label has been affixed by the exporter.

For greater certainty, while the statement on origin shall be made out by the exporter, and the exporter shall bear the responsibility to provide sufficient detail to identify the originating product, there is no condition regarding the identity or the place of establishment of the person completing the invoice or other commercial document, provided that that document allows to clearly identify the exporter.

If it is not possible for the exporter to make out the statement on origin on the invoice or other commercial document, an invoice or other commercial document of a third country may be used, for example where a consignment of originating products is split in a third country under the conditions of Article 3.14 (Non alteration).

Other commercial documents can be, for example, an accompanying delivery note, a pro-forma invoice or a packing list.

3.6 Discrepancies and minor errors

Legal reference: Article 3.18, Annex 3-E ITA

The Parties shall not reject a claim for preferential tariff treatment on the basis of discrepancies between the statement on origin and the documents submitted to the customs office, or minor errors in the statement on origin, which do not raise doubts concerning the accuracy of the information contained in the import documentation and which do not affect the originating status of the products. Such discrepancies or minor errors may include:

(a) typing errors in the description of the product, the exporter’s name, or consignee´s name or address, or the commercial document number;

(b) errors in additional information regarding the exporter or consignee, such as the phone number, postal code or email address;

(c) an incorrect reference to the tariff classification, unless it affects the originating status or preferential tariff treatment of the product.

However, a claim for preferential tariff treatment may be rejected on the basis of the following errors in the statement on origin:

(a) an incorrect exporter reference number, and

(b) an inaccurate description of the product or tariff classification that affects its originating status or preferential tariff treatment.

Nevertheless, the list above is not exhaustive. For more information on other cases where a claim may be rejected, please see the general guidance document: Preferential trade: guidance on the rules of origin.

3.7 Waiver of procedural requirements

Legal reference: Article 3.21

Origin procedures may be waived for a product of small value sent from a private person to a private person, or for a product forming part of a traveller's personal luggage. This waiver applies only to products that have been subject to a customs declaration declaring conformity with the relevant requirements, and where the customs authority has no doubts as to the veracity of the declaration. The importer is responsible for the correctness of this declaration.

The following products are excluded from the waiver:

(a) products imported by way of trade, except for imports that are occasional and consist solely of products for the personal use of the recipients or travellers or their families, if it is evident from the nature and quantity of the products that the imports have no commercial purpose;

(b) products where the importation forms part of a series of importations that may reasonably be considered to have been made separately for the purpose of avoiding the requirements of Article 3.16 (Claim for preferential tariff treatment);

(c) products for which the total value exceeds EUR 500 or its equivalent amount in the currency of the Party[3] in the case of products sent in small packages, or EUR 1 200 or its equivalent amount in the currency of the Party in the case of products forming part of a traveller's personal luggage.

[3] In EU, the exchange rates are published here: https://taxation-customs.ec.europa.eu/customs-4/international-affairs/origin-goods/general-aspects-preferential-origin/common-provisions_en

4. STATEMENT ON ORIGIN FOR MULTIPLE SHIPMENTS OF IDENTICAL PRODUCTS

Legal references: Article 3.17(5)(b) and Annex 3-C ITA

Apart from the statement on origin for a single shipment, ITA also provides for the possibility to make out a statement on origin for multiple shipments of identical products.

Identical products refer to products that correspond in every respect to those described in the product description.

The main benefit of this type of statement on origin is that exporters have to make out only one statement, and importers may rely on that one statement, for all such shipments of identical products within the period specified in the statement, as long as that period does not exceed 12 months.

The statement for multiple shipments has to be placed on the invoice or any other commercial document relating to the first shipment of the identical products for which preference will be claimed and which are covered by this statement. No further statements on origin need to be made out for the remaining shipments, provided that these products are imported within the period covered by that statement. The importer should always be able to present the statement on origin to the customs authorities. The product description of the originating products on the document used for making out the statement on origin and the documents accompanying subsequent shipments should be precise enough to allow for easy identification and comparison of the products involved.

The text to be used for the statement on origin for multiple shipments is the same as the one set out in Annex 3-C of ITA and has to indicate the period covered. The date format consists of the day, the month and the year, e.g. 1 May 2025 or 01/05/2025. The statement has to include:

– the start date = the date on which the period commences; and
– the end date = the date on which the period ends, which may not be later than 12 months from the start date.

The statement on origin for multiple shipments has to also include the date on which it is made out by the exporter, unless that information is contained in the document on which the text of the statement is placed.

EU exporters should indicate their valid REX number in the statement on origin for multiple shipments. However, exporters not registered in the REX system may make out statements on origin for multiple shipments solely for consignments of originating products not exceeding EUR 6000; as soon as the value of one consignment exceeds EUR 6000, the existing statement on origin for multiple shipments may not be used for that specific shipment.

The EU importer shall use the code “U124” to claim preference (see above Section 2) in all customs declarations for the release for free circulation of the identical products covered by the

statement on origin for multiple shipments, and always indicate the date of the making out of the statement and the reference to the document on which it was made out.

When the importer is informed by the exporter that the conditions for the use of a statement on origin for multiple shipments cease to apply or that the statement on origin was made out erroneously, he may no longer use it to claim the preferential tariff treatment for the respective shipments and has to inform customs accordingly.

A statement on origin for multiple shipments of identical products can be made out and submitted retrospectively, but this may not cover the situation where an importer already claimed preferential tariff treatment in the absence of a valid statement on origin for multiple shipments.

Scenario 1 – Statement on origin made out after the claim for preferential tariff treatment

A claim for preferential tariff treatment was already made for the importation of one or more shipments of identical products without any statement on origin existing at that time. In that situation the exporter may not make out a statement on origin for those multiple shipments retroactively since the date of the making out of the statement may not be on a later date than the date of a claim for preferential tariff treatment.

Example:

A Chilean exporter begins exporting identical products of Chilean preferential origin to their EU customer on 1 May 2025, but has not yet prepared a statement on origin for multiple shipments. The EU importer claims preferential tariff treatment when lodging the declarations for release for free circulation immediately after the arrival of the goods, on 1 July 2025. Afterwards, the Chilean exporter prepares a statement on origin only on 1 August 2025, with a start date of 1 May 2025 and an end date of 30 April 2026. This statement may not be used for the shipments for which preferential tariff treatment was claimed prior to 1 August 2025. However, it can be used for claiming preferential tariff treatment for shipments of identical products that are imported after the date of the making out of the statement up until 30 April 2026.

Scenario 2 – Statement on origin made out after importation, but before the claim for preferential tariff treatment

If one or more shipments of identical products were imported without the EU importer claiming the preferential tariff treatment, the exporter may still make out a statement on origin for these past shipments.

The start date should refer to the date on which the first shipment was imported (without claiming preference), or to an earlier date, for example, the time of export.

The end date may refer to a shipment that has already been imported without claiming preference or to a date in the future for shipments of the same identical products that will be

imported after the date of the making out of the statement on origin, provided that the maximum period of 12 months is respected.

The importer may then claim retrospectively preferential tariff treatment starting from the date the statement on origin has been made out.

Example 1:

Several shipments of identical products of Chilean preferential origin were imported into the EU during May, June and July 2025 without preferential tariff treatment. The first shipment was imported on 20 May 2025. On 1 September 2025, the Chilean exporter makes out a retrospective statement on origin for multiple shipments with the start date on 1 May 2025. As there are still shipments of identical products scheduled after the date of the retrospective statement on origin, the exporter sets 30 April 2026 as the end date. Based on this statement the EU operator can retrospectively claim preference starting from 1 September 2025 for the aforementioned consignments imported in May, June and July 2025 based on a repayment request. The EU importer can also use that statement in the customs declarations for the release for free circulation of future shipments of identical products until 30 April 2026.

The statement on origin for multiple shipments can also be issued retrospectively when a series of imports has already taken place, if there was no such claim at the time of importation and as long as the claim is made no later than two years after the date of the first importation (Article 3.27 ITA). That statement on origin will still have to be valid at the moment it is used to make the claim, i.e. it has to be used within the one-year validity period provided for in Article 3.17(4) ITA.

Example 2:

An EU operator imported identical products of Chilean preferential origin from 1 May 2025 until 30 April 2026 without claiming preferential tariff treatment. On 15 June 2025 the Chilean exporter makes out a retrospective statement on origin for multiple shipments with the start date on 1 May 2025 and the end date on 30 April 2026. The EU operator can retrospectively claim preferential tariff treatment for all those shipments of identical products that were accepted for release for free circulation during that period through a repayment request since there were no claims prior to the date of issue of the statements of origin. However, should the EU operator wait until 16 June 2027 to make a claim, it will be too late as the validity period of the statement will have expired by then.

Changes between Association Agreement and ITA
Whereas the origin declaration under the Association Agreement could only be used for a single shipment, under the ITA a statement on origin can be made out for multiple shipments of identical products if certain conditions are met.

Transitional measures
The statement on origin for multiple shipments of identical products can be used to claim preferential tariff treatment from the date of entry into force of ITA. It may be used for identical goods which are in transit or are in temporary storage in bonded warehouse or in free zones in the EU or in Chile at

the time of entry into force of the ITA (i.e. 1 February 2025), if those products meet the conditions under ITA.

5. IMPORTER'S KNOWLEDGE

Legal references: Articles 3.16(b) and 3.19 ITA

Importer's knowledge allows importers to claim preference based on information and documents which they have in their possession and which demonstrate that the product is originating in the exporting Party and satisfies the requirements of Chapter 3 Rules of origin and origin procedures of ITA (Article 3.19 ITA). Typically, the exporter and/or the producer provides or makes available this information and documents, directly or indirectly, to the importer.

The importing Party may, in its laws and regulations, set conditions to determine which importers may base a claim for preferential tariff treatment on the importer's knowledge (Article 3.19 ITA).

In essence, importers using importer's knowledge ought to know the applicable origin criterion for the products they import. They must establish whether the imported products qualify as originating products by assessing whether the relevant origin rule has been met. Where applicable, they should also ascertain whether the working or processing in the exporting Party did not merely constitute an 'insufficient working or processing' within the meaning of Article 3.6 ITA. The importer must be in the position to substantiate their claim and submit all the evidence to support the declared preferential origin. The evidence used, such as supporting documents or records, is not subject to any specific conditions. Moreover, the supporting documents, be it original or in the form of a copy, may be kept in electronic (e.g. PDF, Excel, Word) or paper format.

An importer has to make sure that he has all the necessary information in his possession at the time of claiming the preference, either when lodging the customs declaration for release for free circulation, or when submitting a remission / repayment request.

If the evidence necessary to demonstrate the preferential origin of the goods is not in the importer's possession at the time of the claim for preferential tariff treatment, it is recommended that a statement on origin is used instead.

An EU importer who bases their claim for preferential tariff treatment on importer's knowledge at the time of lodging the customs declaration for release for free circulation has to insert the code 'U125' (Article 3.16(3) ITA).

The record-keeping requirements apply equally to EU importers using importer's knowledge.

For more information on the concept of importer's knowledge applicable in the EU for the release for free circulation of originating goods, please consult sub-section B.8.2)b) Importer's knowledge of the general guidance document: Preferential trade: guidance on the rules of origin

Transitional measures
The importer's knowledge can be used to claim preferential tariff treatment from the date of entry into force of ITA. However, it cannot be used for products or goods which are in transit or are in temporary storage in bonded warehouse or in free zones in the EU or in Chile at the time of entry into force of the ITA (i.e. 1 February 2025).

6. VERIFICATION AND DENIAL

6.1 Verification of the proofs of origin issued under ITA

Legal references: Articles 3.22, 3.23 and 3.25 ITA

The customs authorities of the importing Party may conduct a verification as to whether a product is originating and as to whether the other requirements of Chapter 3 Rules of origin and origin procedures are met (Article 3.22(1) ITA). If the verification process allows the customs authorities of the importing Party to establish whether all conditions for the granting of preferential tariff treatment are met, they will grant it as soon as possible (Article 3.22(6) ITA). If the customs authorities establish in the course of the verification process that not all conditions for the granting of preferential tariff treatment are met, they may deny the preferential tariff treatment in accordance with Article 3.25(1) and (2) ITA.

Verification is triggered by risk assessment methods, including random selection, following a claim for preferential tariff treatment by the importer, either made in the customs declaration for release for free circulation, or retrospectively in a remission/repayment request. Once the customs declaration for release for free circulation is accepted, the verification may be conducted before or after the release of the goods and may lead to a denial of preferential tariff treatment and the incurrence of customs debt. (Article 3.22(1) and (6) ITA).

During verification, the customs authorities of the importing Party may allow the release of the products concerned. The release may require the provision of a guarantee or the customs authorities may implement other appropriate precautionary measures (Article 3.22(6) ITA).

The way the verification is conducted depends on the type of claim for preferential tariff treatment: i.e. **importer's knowledge** or the **statement on origin**.

If the importer claims based on **importer's knowledge**, the verification will be carried out solely by the customs authorities of the importing Party:

- The customs authorities of the importing Party will request information directly from the importer. The importer may add any other information considered relevant for the purposes of verification. The importer should provide a reply within three months after the date of the request for information.

If the importer does not provide a reply within this period, or if the information submitted by the importer is inadequate to confirm that the product has originating status, the customs authorities of the importing Party may deny preferential tariff treatment.

- Where the information submitted by the importer was not adequate to confirm the originating status of the imported products, but the customs authorities of the importing Party consider that the importer may be able to provide additional information to confirm that status, they may request such further specific documentation and information.

If the importer fails to reply within three months of the date of the request, or if the importer submits additional information, but all the information combined is still inadequate to confirm that the product has originating status, the customs authorities of the importing Party may deny the claim for preferential tariff treatment.

- As there will be no administrative cooperation with the exporting Party, it is fully up to the importer to comply with the obligation to provide the requested information. Non-compliance may result in a denial of preferential tariff treatment and, where applicable, in administrative measures or sanctions.

If the importer claims based on a **statement on origin**, the verification will be carried out as follows:

- The customs authorities of the importing Party will request the statement on origin and may request as well the elements listed in Article 3.22(2)(b) ITA from the importer, as considered necessary. The importer may add any other information considered relevant for the purposes of the verification (Article 3.22(3) ITA). The importer may inform the customs authorities of the importing Party that the requested information will be provided by the exporter directly, but he always has to provide the statement on origin. The importer has to reply to the customs authorities of the importing Party within three months after the date of the request for information, or else the products may be denied the preferential tariff treatment (Article 3.25(1)(a)(i) ITA).
- After having received the reply from the importer, the customs authorities of the importing Party may send out a request for information under administrative cooperation to the customs authorities of the exporting Party, which may include a request for specific documentation and information, within a period of two years after the date on which the claim for preferential tariff treatment was made (Article 3.23(2)

ITA), i.e. either the date of the customs declaration for release for free circulation of the product(s) concerned, or the date of the remission / repayment request.

- The customs authorities of the exporting Party have to reply to the request within ten months following the request for information. The customs authority of the importing Party may deny preferential tariff treatment if no reply was provided by the customs authority of the exporting Party within said period (Article 3.25(1)(c)(i) ITA), or if the information provided by the customs authority of the exporting Party is inadequate to confirm that the product has originating status (Article 3.25(1)(c)(ii) ITA).

For further information on the verification procedure, please consult Section B.18 Verification of the general guidance document: Preferential trade: guidance on the rules of origin

Changes between Association Agreement and ITA
If the importer claims on the basis of importer's knowledge, the importer must have documents enabling the customs authority of the importing country to verify the origin of the goods, since there will be no administrative cooperation with the exporting Party.

Transitional measures
The verification procedure for the statements on origin issued for products that are in transit or are in temporary storage in bonded warehouse or in free zones in the EU or in Chile at the time of entry into force of the ITA (i.e. 1 February 2025) will be based on the ITA relevant provisions.

6.2 Verification of the proofs of origin issued under the Association Agreement

In case of goods released for free circulation without preference and for which a retrospective claim for preferential origin was made based on an EUR.1 certificate or an invoice declaration (see Example 3 under Chapter 2.1, as well as Chapter 2.3 above), the verification procedure will be pursued in accordance with the relevant provisions under the Association Agreement.

7. CONFIDENTIALITY OF INFORMATION

Legal references: Articles 3.22, 3.23 and 3.26 ITA

7.1 Information provided by the exporter

The determination of the preferential origin of a product requires understanding detailed information, which may be confidential, since any disclosure of such information could potentially harm the commercial interests of the exporter in question. This means that the exporter may not wish to share certain information with the importer, but also that the customs authorities of both Parties need to treat the collected information with full confidentiality.

The exporter is free to determine which, if any, information pertaining to the originating status of the products he shares with the importer. The exporter may decide:

− not to share any confidential information. In that case, the importer will likely need to claim preferential tariff treatment based on a statement on origin, or

− to share sufficient information, including confidential information, with the importer so that the latter is able to base their claim on the importer's knowledge. This information must be available at the time when the claim is made.

Where the importing Party asks the exporting Party via administrative cooperation for a verification of the originating status of the product, it is for the exporter to decide, in accordance with Article 3.23(6) ITA, whether the documentation it provides to customs authority of the exporting Party may be forwarded by that authority to the customs authority of the importing Party.

Direct requests for information from the importing customs authority to the exporter, or participation in visits at the premises of the exporter are not possible.

7.2 Rights and obligations of the Parties

Article 3.26 ITA obliges each Party to protect the confidentiality of information provided by the other Party under Chapter 3 Rules of origin and origin procedures from disclosure and to restrict its use to the purposes of this Chapter. Non-compliance with these provisions, for either Party within the boundaries of their own data protection laws, constitutes a breach of obligations under the Agreement.

Typically, sensitive information might include the description and explanation of the production process sufficient to establish the originating status of the product.

Confidential information obtained by the customs authorities of the importing Party may be used in administrative, judicial, or quasi-judicial proceedings for the failure to comply with the requirements of Chapter 3 Rules of origin and origin procedures. There is an obligation of an advance notification to the person or Party who provided the information.

The so-called 'purpose limitation clause' means that any information may be used by each Party for no purpose other than the administration and enforcement of decisions and determinations relating to origin and to customs matters, except with the permission of the person or Party who provided the confidential information.

8. TRANSITIONAL MEASURES

Legal references: Article 3.32 ITA

8.1 General

Preferential tariff treatment may be applied to goods that comply with the provisions of Chapter 3 and, on the date of the entry into force of the ITA, are in transit or are in temporary storage in bonded warehouse or in free zones in the EU or Chile. ITA does not set a specific deadline for the submission of the statement on origin, as other free trade agreements may do.

The importer can make a claim for preferential tariff treatment up to 2 years after the entry into force of ITA, either at the release of the goods for free circulation, or thereafter (Article 3.27(1)(b) ITA). The claim may be submitted on the basis of a statement on origin made out as of the entry into force of ITA, i.e. not earlier than on 1 February 2025. Nevertheless, the importer´s knowledge cannot be used to claim preferential tariff treatment for the goods that are in transit or are in temporary storage in bonded warehouse or in free zones.

8.2. Use of proofs of origin (overview)

Before 1 February 2025

	EUR.1 (including retrospective, duplicate, replacement) issued under the Association Agreement	Invoice declaration issued under the Association Agreement	SoO	Importer's knowledge	Examples in the guidance
Goods released for free circulation with preferences before 1.02.2025	Yes	Yes	N/A	N/A	**Chapter 2.1** Example 1

After 1 February 2025

	EUR.1 (including retrospective, duplicate, replacement) issued under the Association Agreement	Invoice declaration issued under the Association Agreement	SoO	Importer's knowledge	Examples in the guidance
Goods released for free circulation with preferences after 1.02.2025	N/A	N/A	Yes	Yes	**Chapter 2.1** Example 2
Goods in transit, temporary storage in warehousing or free zones (Art 3.32 ITA) on 1.02.2025, released for free circulation with preferences after 1.02.2025	N/A	N/A	Yes	No	**Chapter 2.1** Example 3
Goods released for free circulation before 1.02.2025 without preferences, for which the preferences are requested after 1.02.2025, based on UCC provisions	Yes	Yes	N/A	N/A	**Chapter 2.1** Example 4

9. GENERAL PROVISIONS

9.1 Cumulation

Legal reference: Article 3.3 ITA

ITA provides for two types of cumulation:

- Bilateral cumulation, involving only materials originating in one of the two Parties. A product originating in one of the Parties is considered as originating in the other Party if that product is used as a material in the production of another product in that other Party;
- Extended cumulation, where materials originating in a country with which the EU has a free-trade agreement in force in accordance with Article XXIV of the GATT may be used in the manufacture of a product in the beneficiary country.

Bilateral and extended cumulation may not be applied when the working or processing carried out does not exceed the operations listed as insufficient working or processing in Article 3.6.

Extended cumulation may apply to the materials classified in Chapter 3 of the Harmonized System used in the production of canned tuna products classified in subheading 1604.14 of the Harmonized System, albeit under certain, additional, conditions:

- each Party has a trade agreement in force that forms a free trade area with that third country, within the meaning of Article XXIV of GATT 1994;
- the origin of the materials referred to in this paragraph is determined in accordance with the rules of origin applicable under:
  - the European Union's trade agreement forming a free trade area with that third country, if the material concerned is used in the production of a product in Chile; and
  - Chile's trade agreement forming a free trade area with that third country, if the material concerned is used in the production of a product in the European Union;
- an arrangement is in force between the Party and that third country on adequate administrative cooperation ensuring full implementation of this Chapter, including provisions on the use of appropriate documentation on the origin of materials, and that the Party notifies the other Party of that arrangement;
- the Parties agree on any other applicable conditions; and
- the materials have to originate in the Andean countries of Colombia, Ecuador and Peru.

The Party that wants to apply this extended cumulation has to send a notification to the EU-Chile Sub-Committee on Customs, Trade Facilitation and Rules of Origin which will then examine the proposal and send its recommendation to the Trade Committee.

The EU-Chile Sub-Committee may also recommend to the Trade Committee that certain materials originating in certain third countries may be considered as originating in a Party if they are used in the production of a product in that Party provided they comply with the conditions set out above. In addition to the Andean countries, these materials can also originate from any of the following Central American countries: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

At the time of entry into force of ITA, extended cumulation cannot be applied. Should this form of cumulation be approved by the Trade Committee in the future, it will be published in the Official Journal of the EU. The guidance will also be updated accordingly.

Changes between Association Agreement and ITA
Bilateral cumulation was/is applicable both under the Association Agreement and ITA. ITA also provides for the possibility to apply extended cumulation in the future.

9.2 Tolerances

Legal references: Article 3.5, Notes 7, 8 and 9 of Annex 3-A ITA

When a product does not satisfy the product-specific rules contained in Annex 3-B because of the use of non-originating materials, it may still be considered as originating in a Party, provided that:

- the value of those non-originating materials used in the manufacture of the products concerned does not exceed 10% of the ex-works price of those products, except for products classified in HS Chapters 50 to 63. For greater clarity, the 10% tolerance applies only to non-originating materials that do not satisfy the requirements set out in Annex 3-B;
- Notwithstanding the previous paragraph, for products classified in subheadings 1602.31, 1602.32, 1602.41 and 1602.50 of the Harmonized System, the value shall not exceed 15% of the ex-works price of the product;
- the specific tolerances laid down in Notes 7 and 8 of Annex 3-A for products classified in HS Chapters 50 to 63 can be applied.

The tolerances may not be applied if:

- the value or weight of non-originating materials used in the manufacture of a product exceeds any of the percentages set out in Annex 3-B for the maximum value or weight of non-originating materials;
- the products are wholly obtained in a Party within the meaning of Article 3.4. However, the tolerance can be applied if a particular product-specific rule in Annex 3-B requires that the materials used in the manufacture of a product are wholly obtained in a Party.

Changes between Association Agreement and ITA
The provisions on tolerance are included in Article 5 of the Association Agreement ("Sufficiently worked or processed products"). In the ITA, the tolerance provisions are included in a new Article 3.5. The main difference between the two agreements is the introduction of a 15% tolerance for certain meat products.

9.3 Accounting segregation

Legal reference: Article 3.12 ITA

In principle, "fungible materials" must be stored separately if they do not have the same origin. "Fungible materials" are materials of the same kind and commercial quality, with the same

technical and physical characteristics, which cannot be distinguished from each other for the purpose of determining origin.

The agreement allows for the use of an accounting segregation method when originating and non-originating fungible materials are used in the production of a product. By using that method, the materials do not need to be physically separated during storage.

The method used for the accounting segregation has to ensure that at any time the number of products which could be considered as originating in a Party does not exceed the number that would have been obtained by physical segregation of the stocks during storage.

Changes between Association Agreement and ITA
The Association Agreement did not contain provisions on accounting segregation. This is a new addition that can be applied from the date of entry into force of ITA.

9.4 The possibility of duty drawback

ITA does not contain a duty drawback prohibition provision. Therefore, if non-originating materials are used in the manufacture of a product in the EU, those materials are eligible for duty drawback when the products acquire EU preferential origin. This mainly applies to products under the inward processing procedure in the EU. This means that the suspended duty does not need to be paid when the materials used to manufacture an originating product are exported to Chile.

Changes between Association Agreement and ITA
The Association Agreement contained a duty drawback prohibition. This means that up until the entry into force it is not possible to apply duty drawback. ITA does not have any provisions on duty drawback

9.5 Non-alteration rule

Legal reference: Article 3.14

An originating product declared for release for free circulation in the importing Party shall not have been modified or transformed in any way or undergone any other treatment in a country not Party to the Agreement. Only the following operations are permitted in that third country:

- operations necessary to maintain the product in good condition;
- operations consisting of adding or affixing marks, labels, seals or other documentation to ensure that the specific internal requirements of the importing Party are fulfilled before release for free circulation.

A product may be stored or displayed for exhibitions in a third country on condition that it remains under customs supervision there.

A shipment may be split in a third country when done by the exporters themselves or under their responsibility and on the condition that the shipment remains under customs supervision there.

In case of doubt as to whether the above conditions have been met, customs may request the importer to provide a proof of compliance. That proof may be provided by any means, including:

- transport agreements such as bills of lading; or
- factual or concrete evidence such as markings or numbering of the packages; or
- a certificate of non-manipulation; or
- other evidence concerning the product itself.

Changes between Association Agreement and ITA
The direct transport rule had already been partially modernised to the non-alteration rule in the Association Agreement. Splitting consignments on the territory of a third country was already allowed, as well as the adding or affixing marks, labels, or seals.
ITA adds the possibility to store or exhibit a product in a third country provided it remains under customs supervision in that third country.

10. PRODUCT-SPECIFIC RULES OF ORIGIN

Legal references: Article 3.2(c), Annexes 3-A and 3-B ITA

For the purposes of preferential tariff treatment, Article 3.2 ITA states that a product shall be considered as originating in a Party if it:

(a) has been wholly obtained in that Party within the meaning of Article 3.4 (Wholly obtained products);

(b) has been manufactured in that Party exclusively from originating materials; or

(c) is manufactured in that Party and incorporates non-originating materials provided the product meets the requirements of Annex 3-B (Product-specific rules of origin).

The list of working or processing required to be carried out in order for non-originating materials to obtain originating status is set out in Annex 3-B. The general provisions to interpret and apply the product-specific rules in Annex 3-B are included in Annex 3-A.

These product-specific rules are, depending on the classification of the materials, a change in tariff classification, a production process, a maximum value or weight of non-originating materials, or any other requirement specified in Annexes 3-A and 3-B.

The Rules of Origin Self-Assessment tool in Access2Markets offers guidance in simple steps to determine the rules of origin for products in question: https://trade.ec.europa.eu/access-to-markets/en/home#my-trade-assistant

Changes between Association Agreement and ITA

- The layout of the products specific rules has been aligned with other recent EU agreements. This is for example visible in the consistent use of the terms CC, CTH and MaxNOM and in the presentation of the rules in two columns instead of four.
- In general, product specific rules have been harmonised, simplified and made more relaxed many products. This is for example the case for mineral fuels of Chapter 27, chemicals of chapters 28 to 39, plastics and rubber of Chapters 39 to 40, articles of stone, plaster, cement and glass of Chapters 68 to 70, pearls, stones and precious metals of chapter 71 and base metals of Chapters 72 to 83.
- In many chapters, processing rules were removed and replaced by CTH or CTSH rules. This is for example the case for Salt, sulphur, earths and stone, plastering materials, lime and cement of Chapter 25, raw hides, skins, leather and furskins of chapters 41 to 43, word, cork and articles thereof of Chapters 44 and 45 and pulp of wood and paper and paperboard of Chapters 47, 48 and 49.
- For some agricultural and processed agricultural products, the product specific rules have been simplified and made easier to apply.
- For most machinery products of chapters 84 and 85, the rules have been harmonised and made more relaxed. Most products now have a CTH rule and an alternative MaxNOM criterion of 50%. Rules of origin combining a change in tariff code and MaxNOM condition are no longer used in chapters 84 and 85.
- For cars and other vehicles of tariff headings 8701 to 8707, the rules have been relaxed from a MaxNOM 40% to a MaxNOM 45%. For most other products of Chapters 86 to 89, a CTH rule and an alternative MaxNOM 50% rule have been introduced.
- Additionally, agricultural products classified in Chapters 6, 7, 8, 9, 10, 12 and heading 2401 of the Harmonized System which are grown or harvested in the territory of a Party shall be treated as originating in the territory of that Party, even if grown from seeds, bulbs, rootstock, cuttings, slips, grafts, shoots, buds, or other live parts of plants imported from another country