



European
Commission



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

Export Helpdesk is the right tool to use.

Free Trade Agreement with Mexico and Chile
Cars

Trade

The EU trade agreements with Mexico (since 2000) and Chile (since 2002), substantially improve market access for Chilean and Mexican exports to EU by eliminating tariffs for industrial, fisheries and agricultural products.

As an exporter, you therefore pay **lower duties on some or all of what you sell** to the EU. But to benefit from the agreement, you will need proof that your product 'originates' in Chile or Mexico.

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. If you wish to benefit from the preferential tariff when exporting to the EU, refer to the agreement's rule of origin applying to your car.

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.

For instance, a car originates in your country when all the components have themselves been 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 value of the materials not originating in your country with the 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.

Cumulation

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

Materials originating in the EU can be used in your car and then considered as originating in your country if 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 car bought to you and originating in your country hasn't been altered elsewhere before arriving in the EU.

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 sifting, sorting, classifying, grading or matching electrical parts. If only the steps listed there were carried out in your country, and nothing else was produced or transformed there, the car cannot be considered as originating in your country.

Duty drawback

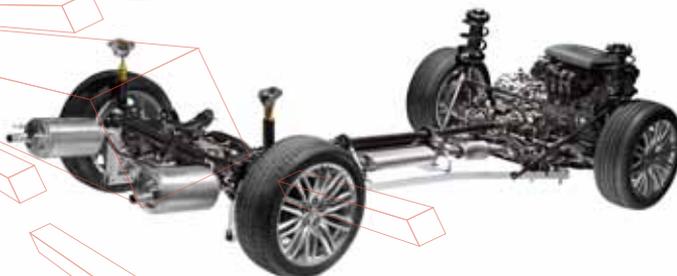
Duty drawback systems exempt producers from paying at import (or recovering the duties paid at import) on materials used for further processing and included in a final product for export. However, under this agreement, you may not apply duty drawback systems to materials brought into your country and used to produce a good intended to receive preferential treatment when exported to the EU.

Specific rules for cars

All products have specific rules of origin. For details, conduct a search in the 'My Export' section of the Export Helpdesk.

Tolerance

Materials whose import is limited or forbidden by the product-specific rule may still be used if they do not exceed 10 % of the final product's value.



Submitting proof of origin

To claim the tariff preference, you must prove that your car originates in your country and fulfil all conditions. Exporters need one of the following documents.

■ **Movement certificate EUR.1:**

In **Mexico**, this is issued by the 'Secretaria Economia' of the Mexican Ministry of Economy (and specifically for Mexico, the four-digit tariff classification code for the goods must be indicated in box 8 of the certificate). In **Chile**, the certificate is issued by 'DIRECON' within the Chilean Ministry of Foreign Affairs and its local 'ProChile' offices. In both countries, be prepared to submit documents proving the originating status of your car.

- **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 ... preferential origin'.

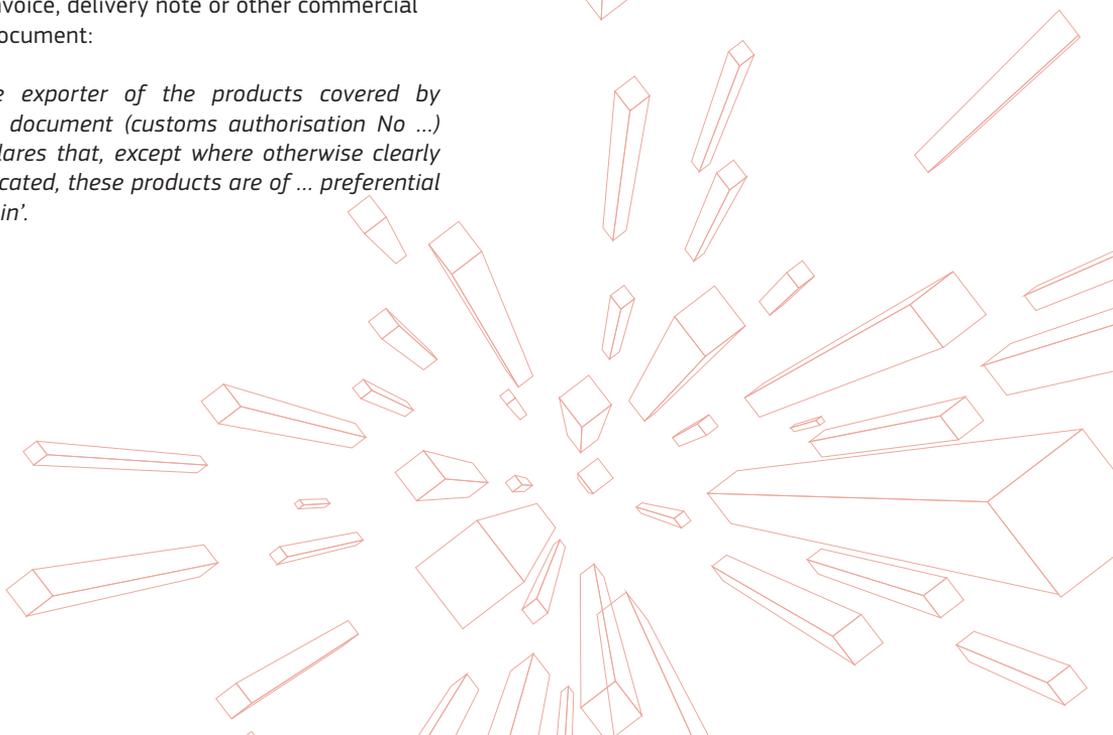
Different language versions, along with explanatory notes, are available on the second page of the invoice declaration. Check that your customs authorities do not have any additional requirements.

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

If you are an **approved exporter**, you may use invoice declarations for consignments of any value if you provide your customs authorities with a document stating that you accept full responsibility for any declarations identifying you as an exporter.

To become an approved exporter, your customs authorities must be satisfied that your car has originating status and meets any other requirements that it may have.

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?
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