

**CHILEAN PROPOSAL
ANNEX CONCERNING THE DEFINITION OF THE CONCEPT OF
“ORIGINATING GOODS”**

TITLE I

GENERAL PROVISIONS

Article 1

Definitions

For the purposes of this Chapter:

- (a) **aquaculture** means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants from seed stock such as eggs, fry, fingerlings or larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding or protection from predators;
- (b) **manufacture** means any kind of working or processing including assembly;
- (c) **material** means any ingredient, raw material, component or part, etc., used in the manufacture of the good;
- (d) **good** means the good being manufactured, even if it is intended for later use in another manufacturing operation;
- (e) **customs value** means the value as determined in accordance with the 1994 Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade (WTO Agreement on customs valuation);
- (f) **ex-works price** means the price paid for the good ex-works to the manufacturer in whose undertaking the last working or processing is carried out, provided that the price includes the value of all the materials used and all other costs related to its production, minus any internal taxes which are, or may be, repaid when the good obtained is exported.
Where the actual price paid does not reflect all costs related to the manufacturing of the good which are actually incurred in the European Union or in Chile, the ex-works price means the sum of all those costs, minus any internal taxes which are, or may be, repaid when the good obtained is exported;
- (g) **value of materials** means the customs value at the time of importation of the non-originating materials used, or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in the European Union or in Chile;

- (h) **chapters and headings and subheadings** means the chapters (two-digit codes), the headings (four-digit codes) and sub-headings (six-digit codes) used in the nomenclature which makes up the Harmonized Commodity Description and Coding System, referred to in this Annex as “the Harmonized System” or “HS”
- (i) **classified** refers to the classification of a good or material under a particular chapter, heading, or sub-heading of the Harmonized System;
- (j) **fungible** goods or materials mean goods or materials that are interchangeable for commercial purposes and whose properties are essentially identical;
- (k) **packing** materials and containers for shipment means goods used to protect a good during its transportation, other than containers and packaging materials used for retail sale;
- (l) **Competent Authority** means the Governmental authority that, according to the laws and regulations of each Party, is responsible for the issuing of a movement certificate EUR.1 or for the designation of certification entities or bodies:
 - (a) for Chile, the General Directorate of International Economic Affairs, Ministry of Foreign Affairs, or its successor; and
 - (b) for the European Union,

TITLE II

DEFINITION OF THE CONCEPT OF “ORIGINATING GOODS”

Article 2

General requirements

For the purpose of implementing this Agreement, the following goods shall be considered as originating in a Party:

- (a) goods wholly obtained in a Party within the meaning of Article 4;
- (b) produced entirely in the territory of one or more of the Parties, exclusively from originating materials; or

- (c) goods obtained in a Party incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in the Party concerned within the meaning of Article 5.

And the good meets the other applicable provisions of this Chapter.

Article 3

Cumulation of origin

1. Notwithstanding Article 2, goods shall be considered as originating in a Party if such goods are obtained there by incorporating materials originating in the other Party, provided that the working or processing carried out goes beyond the operations referred to in Article 6 while it shall not be necessary that the materials of the other Party have undergone sufficient working or processing.
2. Materials from Non Parties for Accumulation shall be considered as materials originating in Chile or European Union, as appropriate, when they are further processed or incorporated into a good obtained or produced in that Party.
3. Materials referred to in paragraph 1 shall be considered as originating, if:
 - a) the production or processing of the materials undertaken in a Party goes beyond the operations referred to in Article 6 (Insufficient working or processing) of this Chapter;
 - b) the materials referred to in paragraph 2 have to meet the rules of origin identical to those applicable if such materials were exported directly to de European Unión or Chile; and
 - c) European Union, Chile and the Non Party have arrangements on adequate administrative cooperation procedures which will ensure full implementation of this Article and of Article 15 on Proof of origin and 31 on verification of origin procedures.
4. The Accumulation established in this provision shall be applied provided that European Union and Chile have in force preferential trade agreements with the Non Parties referred in paragraph 2.
5. The Committee on Rules of Origin established in this Chapter shall monitor the implementation of the Accumulation mechanism provided in this Article. The Committee shall recommend, for the approval of the Commission, a list of Non Parties for the purposes of paragraph 2.

6. The Parties may agree within the Committee on Rules of origin on additional conditions for the application of this Article.

Article 4

Wholly obtained goods

1. The following shall be considered as wholly obtained in a Party:
 - (a) plants and vegetable goods grown or harvested there;
 - (b) live animals born and raised there;
 - (c) goods from live animals referred to in subparagraph (b);
 - (d) goods obtained by hunting, trapping, fishing, gathering or capturing there;
 - (e) goods of aquaculture there;
 - (f) mineral or other naturally occurring substance, not included in subparagraphs (a) through (f), extracted or taken from there;
 - (g) goods of sea fishing and other goods obtained from there;
 - (h) goods taken from the waters, seabed or beneath the seabed outside the territorial waters of that Party, provided that Party has the rights to exploit such waters, seabed and beneath the seabed in accordance with international law;
 - (i) goods made aboard their factory ships that is registered or recorded with a Party and entitled to fly the flag of that Party exclusively from goods referred to in (g) and (h);
 - (j) goods which are:
 - I. used good collected there provided that such goods which can no longer perform their original purpose nor are capable of being restored or repaired and are fit only for the recovery of raw materials; or
 - II. waste and scrap resulting from manufacturing operations conducted there provided that such goods which can no longer perform their original purpose nor are capable of being restored or repaired and are fit only for the recovery of raw materials;
- and
- (j) goods produced there exclusively from the goods specified in (a) to (i).

Article 5

Sufficiently worked or processed goods

1. For the purposes of Article 2, goods, which are not wholly obtained, are considered to be sufficiently worked or processed when the conditions set out in the list in Appendix II are fulfilled.
2. The conditions referred to above indicate, for all goods covered by this Agreement, the working or processing which must be carried out on non-originating materials used in manufacturing and apply only in relation to such materials. It follows that, if a good which has acquired originating status, by fulfilling the conditions set out in the Appendix II is used in the manufacture of another good, the conditions applicable to the good in which it is incorporated do not apply to it, and no account shall be taken of the non-originating materials which may have been used in its manufacture.
3. Notwithstanding paragraph 1 and 2, non-originating materials which, according to the conditions set out in Appendix II, should not be used in the manufacture of a good may nevertheless be used, provided that their total value does not exceed 10 per cent of the ex-works price of the good;
4. Paragraph 3 shall not allow to exceed any of the percentages for the maximum content of non-originating materials as specified in the rules laid down in the list in Appendix II.

Article 6

Insufficient working or processing

1. Without prejudice to paragraph 2, the following operations shall be considered as insufficient working or processing to confer the status of originating goods, whether or not the requirements of Article 5 are satisfied:
 - (a) preserving operations to ensure that the goods remain in good condition during transport and storage;
 - (b) breaking-up and assembly of packages;
 - (c) washing, cleaning; removal of dust, oxide, oil, paint or other coverings;
 - (d) ironing or pressing of textiles and textile articles;
 - (e) simple painting and polishing operations;
 - (f) husking and partial or total milling of rice; polishing and glazing of cereals and rice;
 - (g) operations to colour or flavour sugar or form sugar lumps;
 - (h) peeling, stoning and shelling, of fruits, nuts and vegetables;
 - (i) sharpening, simple grinding or simple cutting;
 - (j) sifting, screening, sorting, classifying, grading, matching (including the making-up of sets of articles);
 - (k) simple placing in bottles, cans, flasks, bags, cases, boxes, fixing on cards or boards and all other simple packaging operations;

- (l) affixing or printing marks, labels, logos and other like distinguishing signs on goods or their packaging;
- (m) simple mixing of goods, whether or not of different kinds; mixing of sugar with any material;
- (n) simple assembly of parts of articles to constitute a complete article or disassembly of goods into parts;
- (o) slaughter of animals.
- (p) a combination of two or more of the operations specified in points (a) to (o);

2. For the purpose of paragraph 1, operations shall be considered simple when neither special skills nor machines, apparatus or tools especially produced or installed for those operations are required for their performance.

3. All operations carried out either in the European Union or in Chile on a given good shall be considered together when determining whether the working or processing undergone by that good is to be regarded as insufficient within the meaning of paragraph 1.

Article 7

Unit of qualification

1. The unit of qualification for the application of the provisions of this Protocol shall be the particular good which is considered as the basic unit when determining classification using the nomenclature of the Harmonized System.

2. When a consignment consists of a number of identical goods classified under the same heading of the Harmonized System, each individual item shall be taken account when applying the provisions of this Protocol.

Article 8

Accessories, spare parts and tools

Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as one with the piece of equipment, machine, apparatus or vehicle in question.

Article 9

Sets

Sets, as defined in General Rule 3 of the Harmonized System, shall be regarded as originating when all component of the set are originating goods. When a set is composed of originating and non-originating goods, the set as a whole shall be regarded as originating, provided that the value of the non-originating goods does not exceed 15 per cent of the ex-works price of the set.

Article 10

Neutral elements

In order to determine whether a good is originating, it shall not be necessary to determine the origin of the following which might be used in its manufacture:

- (a) fuel, energy, catalysts and solvents;
- (b) equipment, devices, and supplies used for testing or inspecting the goods;;
- (c) machines, tools, dies and moulds;
- (d) spare parts and materials used in the maintenance of equipment and buildings;
- (e) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;
- (f) gloves, glasses, footwear, clothing, safety equipment and supplies; and;
- (g) other goods which do not enter and which are not intended to enter into the final composition of the good.

Article 11

Treatment of Packages, Packing Materials and Containers

1. If a good is subject to the regional value content requirement, the value of the packages and packing materials for retail sale, shall be taken into account in determining the origin of that good as originating or non-originating, as the

case may be, provided that the packages and packing materials are considered to be forming a whole with the good.

2. If a good is subject to the change in tariff classification criterion, packages and packing materials for retail sale classified together with the packaged good, shall not be taken into account in determining origin.
3. Packing materials and containers used exclusively for the transportation of a good shall not be taken into account in determining the origin of such goods.

TITLE III TERRITORIAL REQUIREMENTS

Article 12 Principle of territoriality

1. The conditions set out in Title II relating to the acquisition of originating status must be fulfilled without interruption in a Party.
2. If originating goods exported from a Party to a non-Party return, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities that:
 - I. the returning goods are the same as those exported; and
 - II. they have not undergone any operation beyond that necessary to preserve them in good condition while in that non-Party or while being exported.

TITLE IV

Procedures related to Origin

Article 13

Direct transport

1. The preferential treatment provided for under this Agreement applies only to goods satisfying the requirements of this Annex, which are transported directly between the European Union and Chile. However, goods may be transported through other territories with transshipment or temporary warehousing in such territories, provided that they remain under the surveillance of the customs authorities in the country of transit or warehousing and do not undergo operations other than adding or affixing marks, labels, or seals; unloading; reloading; splitting of consignments; or any operation designed to preserve them in good conditions.
2. Compliance with paragraph 1 shall be considered as satisfied unless the customs authorities have reason to believe the contrary. In such cases, the customs authorities may require the importer to provide evidence of compliance, which shall be given by any appropriate means, such as contractual transport documents, for example bills of lading, or factual or concrete evidence based on marking or numbering of packages, or any evidence related to the goods themselves.

Article 14

Claim for preferential tariff treatment

1. The importing Party shall on importation grant preferential tariff treatment to an originating good on the basis of a claim by the importer for preferential tariff treatment.
2. The claim for preferential treatment of the importer shall be based on a proof of origin as set out in article 15.
3. The claim for preferential tariff treatment shall be included in the customs import declaration in accordance with the laws and regulations of the importing Party.
4. The importer making a claim for preferential treatment based on a proof of origin referred to in paragraph 2 shall be in possession of the proof of origin and, when required by the customs authorities of the importing Party, provide a copy of the proof of origin.

5. The importer shall present a corrected declaration and pay any customs duty owing, where there is reason to believe that the proof of origin on which the claim for preferential treatment was based contains incorrect information. The importer shall not be subject to penalties for making an incorrect declaration, if it voluntarily makes a rectified declaration, prior the importing Party begins to exercise its verification and control faculties, in accordance with its laws and regulations and the provisions of this Annex.

Article 15

Proof of Origin

1. Goods originating in the European Union or in Chile shall benefit from preferential treatment under this Agreement upon submission of any of the following proofs of origin:
 - (a) a movement certificate EUR.1, a specimen of which appears in Appendix XX; or
 - (b) in the cases specified in Article 20, a declaration of origin, given by the exporter on an invoice, a delivery note or any other commercial document which describes the goods concerned in sufficient detail to enable them to be identified. The text of the declaration of origin appears in Appendix XX.
2. Notwithstanding paragraph 1, originating goods within the meaning of this Annex shall, in the cases specified in Article 24, benefit from this Agreement without it being necessary to submit any of the proofs of origin mentioned above.

Article 16

Validity of the proof of origin

1. A proof of origin as referred to in Article 15(1) shall be valid for one year from the date of issue in the exporting Party and must be submitted within the said period to the customs authorities of the importing Party.
2. Proofs of origin which are submitted to the customs authorities of the importing Party after the final date for presentation specified in paragraph 1 may be accepted for the purpose of applying preferential treatment, where the failure to submit these

documents by the final date set is due to exceptional circumstances which shall be qualified by the customs authorities of the importing Party.

Article 17

Procedure for the issue of a Movement Certificate EUR.1

1. A movement certificate EUR.1 shall be issued by the Competent Authority of the exporting Party on application having been made in writing by the exporter or, under the exporter's responsibility, by his authorised representative.
2. The procedure for the completion of the movement certificate EUR.1 is set out in Appendix xx.
3. The exporter applying for the issue of a movement certificate EUR.1 shall be prepared to submit at any time, at the request of the Competent Authority of the exporting Party where the movement certificate EUR.1 is issued, all appropriate documents proving the originating status of the goods concerned as well as the fulfilment of the other requirements of this Annex.
4. A movement certificate EUR.1 shall be issued by the Competent Authority of the exporting Party if the goods concerned can be considered as goods originating in the exporting Party and fulfil the other requirements of this Annex.
5. The issuing Competent Authority of the exporting Party shall take any steps necessary to verify the originating status of the goods and the fulfilment of the other requirements of this Annex. For this purpose, it shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate. The issuing Competent Authority of the exporting Party shall also ensure that the form referred to in paragraph 2 is duly completed. In particular, it shall check whether the space reserved for the description of the goods has been completed in such a manner as to exclude all possibility of fraudulent additions.
6. The date of issue of the movement certificate EUR.1 shall be indicated in Box 11 of the certificate.

Article 18
Issue of a duplicate movement certificate EUR.1

1. In the event of theft, loss or destruction of a movement certificate EUR.1, the exporter by stating the reasons for his request may apply to the Competent Authority which issued it for a duplicate made out on the basis of the export documents in their possession.
2. The duplicate issued in this way must be endorsed with one of the following words:
DUPLIKAT.,DUPLICATA.,DUPLICATO.,DUPLICAAT.,
DUPLICATE.,AMSIQAUO.,DUPLICADO.,SEGUNDAVIA.,
KAKSOISKAPPALE.
3. The endorsement referred to in paragraph 2 shall be inserted in the Remarks. box of the duplicate movement certificate EUR.1 together with the date of issue of the duplicate.
4. The duplicate, must bear the date of issue of the original movement certificate EUR.1 and shall take effect as from that date.

Article 19
Issue of movement certificates EUR.1 on the basis of a proof of origin issued or made out previously

When originating goods are placed under the control of a customs office in the European Union or in Chile, it shall be possible to replace the original proof of origin by one or more movement certificates EUR.1 for the purpose of sending all or some of these goods elsewhere within the European Union or Chile. The replacement movement certificate(s) EUR.1 shall be issued by the customs office of first entry in the European Union or in Chile under whose control the goods are placed.

Article 20
Conditions for making out an origin declaration

1. An origin declaration as referred to in Article 15(1)(b) may be made out:
 - (a) by an approved exporter within the meaning of Article 21;
 - or
 - (b) by any exporter for any consignment consisting of one or more packages containing originating goods the total value of which does not exceed any of the following amounts:
 - (i) 15000 euro

- (ii) 17000 US dollar (USD)
- (iii) 11000000 Chilean pesos (CLP)

Where the goods are invoiced in a currency other than those mentioned in this subparagraph, the amount equivalent to the amount expressed in the national currency of the importing Party shall be applied in accordance with the domestic laws and regulations of that Party.

2. An origin declaration may be made out if the goods concerned can be considered as goods originating in the European Union or in Chile and fulfil the other requirements of this Annex.
3. The exporter making out an origin declaration shall be prepared to submit at any time, at the request of the Competent Authority of the exporting Party, all appropriate documents proving the originating status of the goods concerned as well as the fulfilment of the other requirements of this Annex.
4. An origin declaration shall be made out by the exporter by typing, stamping or printing on the invoice, the delivery note or another commercial document, the declaration, the text of which appears in Appendix XX. Specific requirements as for the making out of an origin declaration are set out in Appendix XX.
5. Origin declarations shall bear the original signature of the exporter in manuscript. However, an approved exporter within the meaning of Article 21 shall not be required to sign such declarations provided that he gives the Competent Authority of the exporting Party a written undertaking that he accepts full responsibility for any invoice declaration which identifies him as if it had been signed in manuscript by him.

Article 21

Approved exporter

1. The competent authority of the exporting Party may authorise any exporter, hereinafter referred to as 'approved exporter', who makes frequent shipments of originating goods under this Agreement to make out origin declarations irrespective of the value of the goods concerned. An exporter seeking such authorisation must offer to the satisfaction of the competent authority all guarantees necessary to verify the originating status of the goods as well as the fulfilment of the other requirements of this Annex.
2. The competent authority of the exporting Party may grant the status of approved exporter subject to any conditions which they consider appropriate and they shall promptly

publish, on the internet or by any other public means, all the conditions an exporter has to fulfill in order to have this status.

3. The competent authority shall grant to the approved exporter an official authorisation number, which shall appear on the origin declaration.

4. The competent authority shall monitor the use of the authorisation by the approved exporter.

5. The competent authority may withdraw the authorisation at any time. It shall do so where the approved exporter no longer offers the guarantees referred to in paragraph 1, no longer fulfils the conditions referred to in paragraph 2 or otherwise makes an incorrect use of the authorisation.

Article 22

Replaced Movement Certificate EUR.1 and treatment of Minor Discrepancies

1. When a Movement Certificate EUR.1 has errors and before that Certificate has been submitted to the Customs Authority of the importing Party, a new Movement Certificate Eur.1 shall be issued to replace the erroneous one. The new Movement Certificate EUR.1 shall bear the reference number and the date of issuance of the original Movement Certificate EUR.1. The words “replaced Movement Certificate EUR.1 No... issued date...” shall be endorsed. The new Movement Certificate EUR.1 shall take effect from the date of issuance of the original Certificate.

2. Minor Discrepancies on a Movement Certificate EUR.1, such as typing errors, shall not cause ipso facto the rejection of the Movement Certificate EUR.1 provided that the errors do not create doubts on the accuracy of the information contained in the Certificate or the originating status of the goods covered by the respective Certificate.

3. For greater certainty, Minor Discrepancies refers to any errors complying with the conditions described on paragraph 1, as determined by the customs authority of the importing Party, such as any discordance between the certificate of origin and the commercial documents related to the importation of the goods and which does not affect the origin of the goods itself.

Article 23

Invoicing by a Non Party Operator

Goods complying with the provisions of this Annex shall keep their originating status, even when they are invoiced by commercial operators of a non-Party country provided that, in the case of a proof of origin issued in accordance with conditions set out in

article 20, the declaration of origin shall be made by an exporter located in the exporting Party.

Article 24

Exemptions from proof of origin

1. Goods sent from private persons to private persons or forming part of travellers' personal luggage shall be admitted as originating goods without requiring the submission of a proof of origin, provided that such goods are not imported by way of trade and have been declared as meeting the requirements of this Annex and where there is no doubt as to the veracity of such a declaration. In the case of goods sent by post, this declaration can be made on the customs declaration CN22/CN23 or other certificates established by the Universal Postal Union, or on a sheet of paper annexed to that document.
2. Imports which are occasional and consist solely of goods for the personal use of the recipients or travellers or their families shall not be considered as imports by way of trade if it is evident from the nature and quantity of the goods that no commercial purpose is in view.
3. Furthermore, the total value of these goods shall not exceed EUR 500, in the case of goods sent from private persons to private persons or EUR 1200, in the case of goods forming part of travellers' personal luggage.

Article 25

Supporting documents

The documents referred to in Articles 17(3) and 20(3) used for the purpose of proving that goods covered by a movement certificate EUR.1 or an origin declaration can be considered as goods originating in the European Union or in Chile and fulfil the other requirements of this Annex may consist inter alia of the following:

- (a) direct evidence of the processes carried out by the exporter or supplier to obtain the goods concerned, contained for example in his accounts or internal book-keeping;
- (b) documents proving the originating status of materials used, issued or made out in the European Union or Chile where these documents are used in accordance with the internal laws and regulations;
- (c) documents proving the working or processing of materials in the European Union or Chile, issued or made out in the European Union or Chile, where these documents are used in accordance with the internal laws and regulations;

(d) movement certificates EUR.1 or origin declarations proving the originating status of materials used, issued or made out in the European Union or Chile in accordance with this Annex.

Article 26

Record Keeping Requirements

For the purposes of verification procedures the following record keeping requirements shall apply:

1. The exporter applying for the issue of a movement certificate EUR.1 shall keep for three years from the date of issuance of the movement certificate EUR.1 the documents referred to in Article 17(3).
2. The exporter making out an origin declaration shall keep for at least three years from the date of its issuance a copy of this origin declaration as well as the documents referred to in Article 20 (3).
3. The competent authority of the exporting Party issuing a movement certificate EUR.1 shall keep for three years from the date of its issuance, the application of the exporter and all its supporting documents related to the originating status of the goods covered by the certificate EUR.1.
4. An importer requesting preferential tariff treatment for a good, shall keep for a minimum of three years from the date of the importation of the good, the documents in connection with the importation, including the certificate of origin.
5. The customs authorities in the European Union shall keep for at least three years the movement certificates EUR.1 and the origin declarations submitted to them on importation. The customs authorities of Chile must have at their disposal for five years the movement certificates EUR.1 and the origin declarations submitted to them on importation.
6. The records and documents referred to in paragraphs 1 to 5 may be kept in paper or in electronic form, in accordance with the laws and regulations of each Party.

Article 27

Exchange of information related to proofs of origin

1. The Competent Authority of each Party shall provide each other with specimen impressions of stamps used for the issue of movement certificates EUR.1 and with the addresses of the competent authorities responsible for verifying those certificates and origin declarations.
2. In order to ensure the proper application of this Annex, the European Union and Chile shall assist each other, through their respective competent authorities, in checking the

authenticity of the movement certificates EUR.1 or the origin declarations and the correctness of the information given in these documents.

Article 28 **Refund of Customs Duties**

When the importer did not claim the preferential tariff treatment for the goods imported into its territory, it may, not later than one year after the date of importation of the goods, request to the customs authority of the importing Party the refund of customs duties paid in excess, provided that the request is accompanied by:

- a) written declaration stating that the goods qualified as originating at the time of importation;
- b) a copy of the proof of origin, and
- c) any other documentation in connection with the importation of the goods that the customs authority may request in accordance with its laws and regulations.

Article 29 **Verification of Origin Procedures**

1. Subsequent verifications of proofs of origin shall be carried out at random or whenever the customs authorities of the importing Party have reasonable doubts as to the authenticity of such documents, the originating status of the goods concerned or the fulfilment of the other requirements of this Annex.
2. For the purposes of implementing the provisions of paragraph 1, the customs authorities of the importing Party shall return the movement certificate EUR.1 and the invoice, if it has been submitted, the origin declaration, or a copy of these documents, to the customs authorities or competent authorities of the exporting Party giving, where appropriate, the reasons for the enquiry. Any documents and information obtained suggesting that the information given on the proof of origin is incorrect shall be forwarded in support of the request for verification.
3. The verification shall be carried out by the customs authorities or competent authorities of the exporting Party. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check considered appropriate.

4. If the customs authorities of the importing Party decide to suspend the granting of preferential treatment to the goods concerned while awaiting the results of the verification, release of the goods shall be offered to the importer subject to any precautionary measures judged necessary.
5. The customs authorities requesting the verification shall be informed of the results of this verification as soon as possible. These results must indicate clearly whether the documents are authentic and whether the goods concerned can be considered as goods originating in the European Union or in Chile and fulfil the other requirements of this Annex.
6. If in cases of reasonable doubt on the originating status of the goods there is no reply within ten months of the date of the verification request or if the reply does not contain sufficient information to determine the authenticity of the proof of origin in question or the real origin of the products, the requesting customs authorities shall, except in exceptional circumstances, refuse entitlement to the preferences.

Article 30 **Resolution of disputes**

Where disputes arise in relation to the verification procedures of Article 30, which cannot be settled between the customs authorities requesting a verification and the customs authorities or competent authorities responsible for carrying out this verification, or where they raise a question as to the interpretation of this Annex, they shall be submitted to the Special Committee on Customs Cooperation and Rules of Origin.

In all cases the settlement of disputes between the importer and the customs authorities of the importing Party shall be treated under the laws and regulations of the importing Party.

Article 31 **Sanctions**

Penalties or other sanctions may be imposed in accordance with the laws and regulations of each Party for infringement to provisions of this Annex. In particular, penalties or other sanctions shall be imposed on any person who draws up, or causes to be drawn up, a document which contains incorrect information for the purpose of obtaining a preferential treatment for products.

Article 32 **Confidentiality**

In accordance with the applicable laws and regulations, each Party shall treat as confidential the information submitted under the provisions of this Annex by a person or authority of the other Party when such information is designated by that Party as

confidential. Accordingly, access to the said information may be refused where disclosure would undermine the protection of the commercial interest of the person that submitted the information.

Article 33

Free zones

1. The European Union and Chile shall take all necessary steps to ensure that goods traded under cover of a proof of origin which in the course of transport use a free zone situated in their territory, are not substituted by other goods and do not undergo handling other than normal operations designed to prevent their deterioration.
2. By means of an exemption from paragraph 1, when goods originating in the European Union or in Chile are entered into a free zone of the exporting Party under cover of a proof of origin and undergo treatment or processing, the authorities concerned shall issue a new movement certificate EUR.1 at the exporter's request, if the treatment or processing undergone is in conformity with the provisions of this Annex.

Article 34

Transitional provision for goods in transit or storage

The provisions of this Agreement may be applied to goods which comply with the provisions of this Annex and which on the date of entry into force of this Agreement are either in transit or are in the European Union or in Chile in temporary storage in customs warehouses or in free zones, subject to the submission to the customs authorities of the importing Party, within four months of the said date, of a movement certificate EUR.1 issued retrospectively by the customs authorities or competent authorities of the exporting Party or an origin declaration, together with the documents showing that the goods have been transported directly in accordance with the provisions of Article 13.

Appendix XX (Movement certificate EUR1 and application for a movement certificate EUR.1)

Appendix XX ORIGIN DECLARATION

Specific requirements as for the making out of an origin declaration.

An origin declaration, the text of which is set out below, shall be made out using one of the linguistic versions set out there and in accordance with the provisions of the domestic law of the exporting country. If the declaration is hand-written, it shall be written in ink in printed characters. The origin declaration must be drawn up in accordance with the respective footnotes. The footnotes do not have to be reproduced.

English version

The exporter of the products covered by this document (customs or competent governmental authorisation No... (1)) declares that, except where otherwise clearly indicated, these products are of... preferential origin (2).

Spanish version

El exportador de los productos incluidos en el presente documento (autorización aduanera o de la autoridad gubernamental competente no □ (1)) declara que, salvo indicación en sentido contrario, estos productos gozan de un origen preferencial... (2).

Danish version

Eksportøren af varer, der er omfattet af nærværende dokument, (toldmyndighedernes eller den kompetente offentlige myndigheds tilladelse nr.... (1)) erklærer, at varerne, medmindre andet tydeligt er angivet, har præferenceoprindelse i... (2).

German version

Der Ausführer (Ermächtigter Ausführer; Bewilligung der Zollbehörde oder der zuständigen Regierungsbehörde Nr. □ (1)) der Waren, auf die sich dieses Handelspapier bezieht, erklärt, dass diese Waren, soweit nichts anderes angegeben, präferenzbegünstigte Ursprungswaren... (2).

Greek version

Ο ενάσχcΎay sxm pqoúümsxm pot jakýpsomsai apü so paqüm Ýccqauo(Üdeia sekmēbot Ð sgy jahýkgm aqlüdiay aqvPy, tp' aqih.... (1)) dgkþmei üsi, ejsüy eÜm dgkþmesai rauþy Ükkxy, sa pqoúümsa atsÜ eßmai pqosilgriajPy jasacxcPy... (2).

French version

L'exportateur des produits couverts par le présent document (autorisation douanière ou de l'autorité gouvernementale compétente no □ (1)) déclare que, sauf indication claire du contraire, ces produits ont l'origine préférentielle... (2).

Italian version

L'esportatore delle merci contemplate nel presente documento (autorizzazione doganale o dell'autorità governativa competente n. □ (1)) dichiara che, salvo indicazione contraria, le merci sono di origine preferenziale □ (2).

Dutch version

De exporteur van de goederen waarop dit document van toepassing is (douanevergunning of vergunning van de competente overheidsinstantie nr. □ (1)) verklaart dat, behoudens uitdrukkelijke andersluidende vermelding, deze goederen van preferentiële ... oorsprong zijn (2).

Portuguese version

O abaixo assinado, exportador dos produtos cobertos pelo presente documento (autorização aduaneira ou da autoridade governamental competente no □ (1)) declara que, salvo expressamente indicado em contrário, estes produtos são de origem preferencial □ (2).

Finnish version

Tässä asiakirjassa mainittujen tuotteiden viejä (tullin tai toimivaltaisen julkisen viranomaisen lupa nro □ (1)) ilmoittaa, että nämä tuotteet ovat, ellei toisin ole selvästi merkitty, *etuuskohteluun oikeutettuja ... alkuperäituotteita* (2).

Swedish version

Exportören av de varor som omfattas av detta dokument (tullmyndighetens tillstånd eller behörig statlig myndighet nr □ (1)) försäkrar att dessa varor, om inte annat tydligt markerats, har förmånsberättigande □ ursprung (2).

..... (3) (Place and date)

..... (4) (Signature of the exporter; in addition, the name of the person signing the declaration has to be indicated in clear script)

When the origin declaration is made out by an approved exporter within the meaning of Article 21 of this Annex, the authorisation number of the approved exporter must be entered in this space. When the origin declaration is not made out by an approved exporter, the words in brackets shall be omitted or the space left blank.

These indications may be omitted if the information is contained on the document itself. See Article 20(5) of this Annex. In cases where the exporter is not required to sign, the exemption of signature also implies the exemption of the name of the signatory.