The new EU-GSP Rules of Origin
“Challenges and Opportunities for Thai Exporters”
Friday 5th August 2011
Chiang Mai, Thailand

3. SUFFICIENTLY PROCESSED
Definition of the concept of originating products:

Products shall be considered as originating in a beneficiary country

• wholly obtained or

• sufficiently worked or processed
Article 72, 1: Products which are not wholly obtained in the beneficiary country shall be considered to originate there, provided that the conditions laid down in the list in Annex 13a for the goods concerned are fulfilled:

- working or processing operations which confer originating status
- rules set out apply for all products
- it does not mean that all products are entitled to preferential treatment (see EC Regulation 732/2008)
There are different types of rules, which vary according to the product:

1) a **maximum content** in value of non-originating materials is not exceeded

- ex Chapter 87 - Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof; except for:
  - (a) **LDCs** Manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product
  - (b) **Other beneficiary countries** Manufacture in which the value of all the materials used does not exceed 50 % of the ex-works price of the product
2) a **maximum content** *in weight* of non-originating materials is not exceeded

Chapter 18 - Cocoa and cocoa preparations

Manufacture from materials of any heading, except that of the product, in which

- the **individual weight** of sugar and of the **materials of Chapter 4** used does not exceed 40 % of the weight of the final product, and

- the total **combined weight** of sugar and the **materials of Chapter 4** used does not exceed 60 % of the weight of final product
3) the **4-digit** Harmonized System heading of the manufactured products **changes** (CTH)

| ExChapter 40 - Rubber and articles thereof; (except for):
| Manufacture from materials of any heading, except that of the product |
| or |
| Manufacture in which the value of all the materials used does not exceed 70% of the ex-works price of the product |
4) a **specific** working and processing operation is carried out

ex Chapter 62 Articles of apparel and clothing accessories, not knitted or crocheted; except for:

(a) **LDCs**: Manufacture from fabric

(b) **Other beneficiary countries:**
- Weaving accompanied by making-up (including cutting) *or*
- Making-up preceded by printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendering, shrink resistance processing, permanent finishing, decatising, impregnating, mending and burling), provided that the value of the unprinted fabric used does not exceed 47.5% of the ex-works price of the product
5) working or processing is carried out on certain wholly obtained materials

2002 and 2003 - Tomatoes, mushrooms and truffles prepared or preserved otherwise than by vinegar of acetic acid

Manufacture in which all the materials of Chapters 7 and 8 used are wholly obtained
2) If a **product** which has **acquired originating status** in a country in accordance with paragraph 1 is further processed in that country and **used as a material** in the manufacture of another product, no account shall be taken of the non-originating materials which may have been used in its manufacture.
3. Sufficiently processed

max. 50% non-originating materials