

JOINT CUSTOMS CONSULTATIVE COMMITTEE JCCC

INFORMATION PAPER (06) 48

Tariff Preference: New Preferential Trade Agreement with Albania

Who should read:	All involved with exporting to, or importing goods from Albania under Tariff Preference
What is it about:	The implementation with effect from 1 December 2006 of a new reciprocal preferential trade agreement with Albania
When effective:	1 December 2006

1. Introduction

The EC has concluded a new reciprocal preferential trade agreement with Albania, the provisions of which will apply to eligible products exported to or from that country on or after 1 December 2006.

2. Scope and Coverage

a) Imports into the Community of products originating in Albania

The new arrangements will run parallel to the autonomous preferences which the European Community grants to products originating in Albania and **therefore a wide range of industrial, agricultural and fishery products will continue to attract a nil preferential rate of customs duty.**

b) Imports into Albania of products originating in the Community

Albania has undertaken to grant reduced or nil preferential rates of duty to a range of industrial and agricultural products originating in the Community. Certain products will be subject to a sliding scale of annual reductions in the full rate of duty payable. The reductions will start on the date of entry into force of the Agreement and a nil preferential rate of duty will be achieved 5 years after the date of entry into force.

3. Origin Rules

a) General

The conditions and rules described in **Sections 2 to 6, and Section 9 of Customs Notice 828 (and its Updates)** will apply with the following exception to goods which are exported to or imported from Albania.

The exception is as follows:

- **The 10% value tolerance described in Paragraph 2.4 of the Notice** (for working or processing which takes place outside the EC or the preference

receiving country) does not apply to goods exported to or imported from Albania.

b) Cumulation of Origin

The new Agreement provides for **bilateral cumulation of origin**. This means that

- Materials, components or parts which have originated in Albania in accordance with the provisions of the Agreement can be regarded as originating in the Community when they are further processed (provided that the processing is more than minimal) or incorporated in a finished product which will be exported from a Member State to Albania under preference; and
- EC products which have met the appropriate origin rules can be regarded as originating in Albania when they are further processed (again, provided that the processing is more than minimal), or included in a finished product for export to the Community under preference.

c) Drawback (IPR)

Drawback is the suspension or repaying of duties (including anti-dumping duty) on imported materials used in the manufacture of goods to be exported.

This restriction will apply to products exported to or from Albania on or after 01 December 2006.

This means that where such a restriction applies, all customs duties and equivalent charges must be paid on any materials, components or parts imported to manufacture a finished product which will be exported to Albania under the new preference arrangements.

4. Documentary Requirements

a) General

With the exception of consignments falling within sub-paragraph b below, claims to preference must be supported by:

- A **valid Form EUR1** (which for Albanian products will be issued by the Albanian Customs Administration); or
- A **declaration on an invoice** (or other commercial document such as a packing list or consignment note). Any exporter in the UK and Albania will be able to issue an invoice declaration where the value of the consignment is no more than £4045 and exporters who have **been approved by the customs authorities** to do so will be able to issue declarations for consignments with a value in excess of that amount.

c) Consignments for which no formal proof of origin is required

The following consignments can be exported to or imported from Albania without the need for a formal proof of origin:

- (i) **Private imports/exports in accompanied baggage** provided that the value of the consignment is no more than **£809**; and

(ii) Private imports/exports in unaccompanied baggage provided that the value of the consignment is no more than **£337**.

5. Further Information

Please contact HM Revenue and Customs, Frontiers and International, Duty Liability Team, 6th Floor North, Portcullis House, 27 Victoria Avenue, Southend-on-Sea, Essex SS2 6AL Tel: 01702 367721, Fax 01702 361786, e-mail Yvette.james@hmrc.gsi.gov.uk

Issued on the 20 November 2006 by the JCCC Secretary, HM Revenue and Customs, Frontiers Customer Unit, CRM Team, 4th Floor East, 100 Parliament Street, Westminster, London SW1A 2BQ E Mail @ [JCCC Secretariat](mailto:JCCC_Secretariat)

If you have a question about the content of this paper please use the contact provided in the 'Further Information' section.

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