

# JOINT CUSTOMS CONSULTATIVE COMMITTEE JCCC

## INFORMATION PAPER (06) 49

### Tariff Preference: Changes To The EU-Chile Preferential Trade Agreement

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|--------------------------|---|
| <b>Who should read:</b>  | All involved with exporting goods to, or importing goods from Chile under tariff preference   |
| <b>What is it about:</b> | The introduction of "No Drawback" arrangements for materials used in the manufacture of products which will be exported to Chile or to the EC under the EU-Chile preferential Trade Agreement |
| <b>When effective:</b>   | 1 January 2007  |

#### 1. Introduction

With effect from 01 January 2006 "No Drawback" arrangements will be in place for materials used in the manufacture of products which will be exported to Chile or to the EU under the EU-Chile preferential Trade Agreement.

#### 2. Details of Cessation of Drawback

The provisions of the EU-Chile preferential trade Agreement currently allow manufacturers to benefit from drawback (suspension, non-payment or repayment of customs duties, including anti-dumping duty) on imported materials, components or parts which are used in the manufacture of goods for export to the European Community or to Chile under preference.

This facility will end at midnight on 31 December 2006.

With effect from 1 January 2007 manufacturers in the Community and Chile will have to decide whether:

- to claim drawback (under for example, Inward Processing Relief) on any imported materials used to manufacture the goods: or
- to issue a preference certificate or invoice declaration to enable their customers to claim, subject to the satisfaction of all necessary conditions, preference on the goods concerned

as there will be no entitlement to both drawback and preference. In short, all appropriate customs duties and equivalent charges must be paid on imported materials, components or parts used in the manufacture of products which will be exported to Chile or to the Community on or after 1 January 2007, under cover of an EUR1 Movement Certificate or Invoice declaration.

You can find out more about preference and drawback (export relief) in Customs Notice 827 – European Community Preferences: Export Procedures.

[http://customs.hmrc.gov.uk/channelsPortalWebApp/channelsPortalWebApp.portal?nfpb=true&pageLabel=pageImport\\_ShowContent&id=HMCE\\_CL\\_000182&propertyType=document](http://customs.hmrc.gov.uk/channelsPortalWebApp/channelsPortalWebApp.portal?nfpb=true&pageLabel=pageImport_ShowContent&id=HMCE_CL_000182&propertyType=document)

## **2. Further information**

Please contact HM Revenue and Customs, Frontiers and International Trade, Duty Liability, 6th Floor North, Portcullis House, 27 Victoria Avenue, Southend-on-Sea, SS2 6AL Tel: 01702 367721, Fax 01702 361786, e-mail [yvette.james@hmrc.gsi.gov.uk](mailto: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, 4<sup>th</sup> 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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