 

**Information for Mongolian companies with REX registration on the issuing of statements on origin for exports to the European Union (as at 17.06.2020)**

Based on “REGULATION (EU) 2015/2447: COMMISSION IMPLEMENTING REGULATION (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No 952/2013 of the European Parliament and of the Council laying down the Union Customs Code Code)” – in the following Regulation EU 2015/2447.

With the REX system the European Union (EU) allows Mongolian companies to issue their own statements on origin (SOO) when they export goods to an EU member state. With such a SOO goods which belong to the category of eligible products are then exempted from customs duty at the point of import to the EU member country. To utilize this privilege certain conditions regarding the status of the company in the REX system as well as the issuing of the SOO must be fulfilled. These conditions are contained in Regulation EU 2015/2447 and are explained in this brief instruction.

**Condition 1: The company is registered in the REX system**

To be entitled to issue a SOO the company needs to be registered in the REX system. This registration must be valid i.e. it must not be revoked at the time of making the SOO. As an exemption companies which are not registered in the REX system may also issue a SOO for goods with a value below 6.000 EUR. The information about the registration in the REX system can be found on the website of MNCCI: <https://www.mongolchamber.mn/p/248>.

**Condition 2: The company fulfills the obligations of registered exporters**

According to Article 64(1) of Regulation EU 2015/2447 the registered exporter must fulfill the following obligations:

(a) it maintains appropriate commercial accounting records concerning the production and supply of goods qualifying for export under GSP+;

(b) it keeps available all evidence relating to the materials used in the manufacturing of the goods;

(c) it keeps all customs documentation relating to the materials used in the manufacturing;

(d) it keeps for at least 3 years from the end of the calendar year in which the statement on origin was made out records of: (i) the statements on origin which they have issued; (ii) the accounts for their originating and non-originating materials, their production and their stocks.

Those records and SOO can be kept in an electronic format but it must be ensured that the materials used in manufacturing the exported products can be traced and their originating status can be confirmed. [In other words, the related order/delivery forms and invoices of the supplied materials must be kept].

**Condition 3: The statement on origin is correctly issued**

According to Article 64(1) of the Code the SOO can be issued at the time of exportation to the EU or when the exportation to the EU is ensured.

Where the products concerned are considered as originating in Mongolia the SOO is issued by the exporter in Mongolia. Where the products concerned are exported without further working or processing or after being only subject to specific operations the SOO is issued by the exporter in the beneficiary country of origin [the third country, not Mongolia].

A SOO may also be issued after exportation (‘retrospective statement’) of the products concerned. It is admissible if it is presented to the customs authorities in the EU Member State where the customs declaration has been made latest 2 years after the importation.

The SOO must be provided by the exporter to its customer in the EU.

The SOO must contain the particulars specified below in Condition 5. It must be issued in English or French or Spanish. It can be issued on an invoice, on a delivery note, on a packing list, or on any commercial document, which allows the identification of the exporter concerned and of the goods involved. It is recommended to apply the SOO on each document related to the exported goods to facilitate the inspection by customs.

**Condition 5: The correct text of the statement on origin is used**

The SOO is issued on any commercial document, which shows the name and full address of the exporter and of the receiver as well as a description of the products and the date of issue.

According to Annex 22-07 of Regulation (EU) 2015/2447 the text of the SOO is as follows [the English version which must be used is followed by the translation into Mongolian].

*Statement on origin*

*The exporter ……… (1) of the products covered by this document declares that, except where otherwise clearly indicated, these products are of …… (2) preferential origin according to rules of origin of the Generalised System of Preferences of the European Union and that the origin criterion met is …… (3).*

*Statement on origin*

*The exporter ……… (1) of the products covered by this document declares that, except where otherwise clearly indicated, these products are of …… (2) preferential origin according to rules of origin of the Generalised System of Preferences of the European Union and that the origin criterion met is …… (3).*

Remark (1): Enter here the name, complete address and REX number of the registered exporter.

Remark (2): Enter here “Mongolian” if the country of origin is Mongolia.

Remark (3): Enter here the letter “P” if the products are wholly obtained, that means they were entirely made in Mongolia. Enter here the letter “W” followed by the respective four digit number of the product in the Harmonised System (HS), if the products are sufficiently worked or processed. [These are goods which contain parts from other countries, but which underwent their last, substantial, economically justified processing in a Mongolian company and resulting in the manufacture of a new product].[The HS code can be found here: <https://customs.gov.mn/btkus/#/> ].

The above text is for information purposes only, it does not represent a legal consultation and is provided without guarantee of correctness and completeness.

In case of questions please contact:

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