

Annex B – Rules of origin

MODIFICATIONS TO ANNEX II, CONCERNING THE DEFINITION OF THE CONCEPT OF "ORIGINATING PRODUCTS" AND METHODS OF ADMINISTRATIVE COOPERATION

The list of “*Declarations regarding Annex II concerning the definition of the concept of ‘originating products’ and methods of administrative cooperation*” is replaced by the following:

“Declaration of the United Kingdom concerning Article 5 in relation to originating products from Colombia, Ecuador and Peru
Joint declaration of Colombia, Ecuador and Peru concerning Article 5 in relation to originating products from the United Kingdom
Joint declaration concerning the Principality of Andorra
Joint declaration concerning the Republic of San Marino
Joint declaration on the revision of the rules of origin contained in Annex II concerning the Definition of “Originating Products” and Methods of Administrative Cooperation
Joint declaration concerning a trilateral approach to rules of origin”.

SECTION 2

DEFINITION OF THE CONCEPT OF ‘ORIGINATING PRODUCTS’

1. The following is inserted after Article 3:

“Article 3A

Extended Cumulation of Origin

1. Without prejudice to the provisions of Article 2(1), materials originating in the European Union shall be considered as materials originating in the United Kingdom when incorporated into a product obtained in the United Kingdom, provided that the working or processing carried out there goes beyond the operations referred to in Article 7.
2. Without prejudice to the provisions of Article 2(2), materials originating in the European Union shall be considered as materials originating in a signatory Andean Country when incorporated into a product obtained in a signatory Andean Country, provided that the working or processing carried out there goes beyond the operations referred to in Article 7.
3. Without prejudice to the provisions of Article 2(1), working or processing carried out in the European Union shall be considered as having been carried out in the United Kingdom when the materials obtained undergo subsequent working or processing in the United Kingdom, which goes beyond the operations referred to in Article 7.
4. The cumulation provided for in this Article will apply provided that:
 - a) the countries involved in the acquisition of the originating status and the country of destination have arrangements on administrative cooperation which ensure the correct implementation of this Article; and
 - b) materials and products have acquired originating status in application of the same rules of origin as provided in this Annex.
5. The originating status of materials exported from the European Union to the United Kingdom or to a signatory Andean Country to be used in further working or processing shall be established by a proof of origin.

6. Proof of the originating status acquired under the terms of this Article, of products exported to the United Kingdom or a signatory Andean Country, shall be established by a movement certificate EUR.1 issued or an invoice declaration made out in the exporting Party in accordance with the provisions of Section 4 (Proof of Origin). These documents shall bear the mention "cumulation with [name of country]".

2. In Article 4(5), paragraph (c) is replaced by the following:

“(c) notices indicating the fulfilment of the necessary requirements to apply cumulation under this Article have been published in the official publications of the United Kingdom, the signatory Andean Countries and of the non-Party or non-Parties concerned, according to their own procedures.”

SECTION 3

TERRITORIAL REQUIREMENTS

1. In Article 12 paragraph 1, at the start of the first sentence, insert “Except as provided for in Article 3A”.

2. Article 13 is replaced by the following:

“Article 13

Direct Transport

1. The preferential treatment provided for under this Agreement applies only to products satisfying the requirements of this Annex, which are transported directly between the United Kingdom and the signatory Andean Countries or, as part of that transport, through the territory of the European Union in transit or transshipment, with or without temporary warehousing. However, products may be transported through other territories with, should the occasion arise, transshipment or temporary warehousing in such territories, provided that they remain under the surveillance of the customs authorities in the country of transit, transshipment or temporary warehousing and do not undergo operations other than unloading, reloading or any operation designed to preserve them in good condition.
2. For the avoidance of doubt, consignments that are in transit, transshipment or temporary warehousing in the territory of the European Union may undergo operations including unloading, reloading, splitting, storing, labelling, marking or any operation designed to preserve them in good condition provided they remain under the surveillance of the customs authorities in the European Union Member State of transit, transshipment or warehousing.
3. Originating products may be transported by pipeline across territory other than that of the United Kingdom or the signatory Andean Countries.
4. Evidence that the conditions set out in paragraphs 1, 2 and 3 have been fulfilled shall be supplied, upon request, to the customs authorities of the importing Party by the submission of:
 - (a) transportation documents, such as airway bills, bills of lading, cargo manifest, or multimodal, or combined transportation documents, that certify transport from the country of origin to the importing Party;

- (b) customs documents that authorise the trans-shipment or temporary storage; or
- (c) failing these, any substantiating documents.”

SECTION 4

PROOF OF ORIGIN

1. In Article 16, paragraph 2 is replaced by the following:

“2. For the purposes of paragraph 1, the exporter or his/her authorised representative shall fill out both the movement certificate EUR.1 and the application form, specimens of which appear in Appendix 3. These forms shall be completed in Spanish or English and in accordance with the provisions of the domestic law of the exporting Party. If they are hand-written, they shall be completed in ink in printed characters. The description of the products must be given in the box reserved for this purpose without leaving any blank lines. Where the box is not completely filled, a horizontal line must be drawn below the last line of the description, the empty space being crossed through.”.

2. In Article 17, paragraph 4 is replaced by the following:

“4. Movement Certificate EUR.1 issued retrospectively shall be endorsed with one of the following phrases:

ES “EXPEDIDO A POSTERIORI”

EN “ISSUED RETROSPECTIVELY”.

3. In Article 18, paragraph 2 is replaced by the following:

“2. The duplicate issued pursuant to paragraph 1 shall be endorsed with one of the following words:

ES “DUPLICADO”

EN “DUPLICATE”.

4. Article 29 is replaced by the following:

“Article 29

Amounts Expressed in Euro

1. For the application of the provisions of Article 20, subparagraph 1(b) and Article 25, paragraph 3 in cases where products are invoiced in a currency other than euro, amounts in the national currency of the United Kingdom equivalent to the amounts expressed in euro shall be fixed annually by the United Kingdom and submitted to the signatory Andean Countries.
2. A consignment shall benefit from the provisions of Article 20 subparagraph 1(b) or Article 25 paragraph 3 having as reference the currency in which the invoice is drawn up, according to the amount fixed by the United Kingdom.
3. The amounts to be used in the national currency of the United Kingdom shall be the equivalent in that currency of the amounts expressed in euro as at the first working day of October. The United

Kingdom shall notify the signatory Andean Countries of these amounts by 15 October and these amounts shall apply from 1 January the following year.

4. The United Kingdom may round up or down the amount resulting from the conversion into its national currency of an amount expressed in euro. The rounded-off amount may not differ from the amount resulting from the conversion by more than five per cent. The United Kingdom may retain unchanged its national currency equivalent of an amount expressed in euro if, at the time of the annual adjustment provided for in paragraph 3, the conversion of that amount, prior to any rounding off, results in an increase of less than 15 per cent in the national currency equivalent. The national currency equivalent may be retained unchanged if the conversion would result in a decrease in that equivalent value.
5. The amounts expressed in euro shall be reviewed by the Subcommittee at the request of a Party. When carrying out this review, the Subcommittee shall consider the desirability of preserving the effects of the limits concerned in real terms. For this purpose, the Subcommittee may decide to modify the amounts expressed in euro.”.

SECTION 5

ARRANGEMENTS FOR ADMINISTRATIVE COOPERATION

In Article 30(1) and Article 30(2), the words “, *through the European Commission*,” are deleted.

SECTION 6

CEUTA AND MELILLA

1. Article 35 is replaced by the following:

“Article 35

Application of this Annex

The term ‘European Union’ used in this Annex does not cover Ceuta and Melilla.”.

2. Article 36 is not incorporated.

APPENDIX 2A

Appendix 2A is replaced by the following:

“ADDENDUM TO THE LIST OF WORKING OR PROCESSING REQUIRED TO BE CARRIED OUT ON NON-ORIGINATING MATERIALS IN ORDER THAT THE PRODUCT MANUFACTURED CAN OBTAIN ORIGINATING STATUS

Common provisions

1. For the products described below, the following rules may also apply instead of the rules set out in Appendix 2 for products originating either in the United Kingdom or in a signatory Andean Country, as the case may be.

2. When a product is covered by a rule of origin that is subject to quotas, the proof of origin for that product shall contain the following statement in English: "Product originating in accordance with Appendix 2A of Annex II".
3. The quotas indicated below will be managed on a first-come, first-served basis. The quantities exported to a Party shall be calculated on the basis of the imports of the Party concerned.
4. For greater certainty, if the entry into force of this Agreement corresponds to a date after 1 January up until and inclusive of 31 December of the same calendar year, the quota will be pro-rated on a proportional basis for the remainder of that calendar year."

Note 1

The following rule shall confer origin for products exported from the United Kingdom to Colombia, Ecuador or Peru within the annual quotas per country indicated below:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
ex 0901	Roasted coffee of the variety Arabica	Manufacture from materials of any heading	

Colombia	Peru	Ecuador
16 Metric Tonnes	5 Metric Tonnes	15 Metric Tonnes

Note 2

The following rule shall confer origin for products exported from the United Kingdom to Peru and from Peru to the United Kingdom:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
1507 to 1508	Soybean oil, peanut (ground-nut)oil, and their fractions, but not chemically modified	Manufacture from materials of any subheading, except that of the product	

1512 to 1515	Sunflower-seed, safflower or cotton-seed, coconut (copra), palm kernel, babassu, rape, colza, mustard, other fixed vegetable fats and oils (including jojoba oil) and their fractions, but not chemically modified	Manufacture from materials of any subheading, except that of the product	
1516	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter- esterified, re-esterified or elaidinised, whether or not refined, but not further prepared	Manufacture from materials of any heading except that of the product	
1517	Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, other than edible fats or oils or their fractions of heading 1516	Manufacture: - from materials of any heading except that of the product, and - in which at least 40 per cent by weight of all the materials of Chapter 4 used are originating	

Note 3

The following rule shall confer origin for products exported from the United Kingdom to Colombia, Ecuador or Peru within the annual quotas per country indicated below:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
1805	Cocoa powder, not containing added sugar or other sweetening matter	Manufacture from materials of any heading, except that of the product	

Colombia	Peru	Ecuador
14 Metric Tonnes	61 Metric Tonnes	16 Metric Tonnes

Note 4

The following rule shall confer origin for products exported from the United Kingdom to Peru and from Peru to the United Kingdom:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
ex 3824	Biodiesel: mixtures of mono alkyl ethers of the fatty acids of the long chain of sub products of vegetable and animal oils. For greater certainty, the mono alkyl ether makes reference to methyl ether or ethyl ether of fatty acids	Manufacture from materials of any heading, except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 20 per cent of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 per cent of the ex-works price of the product

Note 5

The following rule shall confer origin for products exported from Colombia, Ecuador and Peru to the United Kingdom within the annual quotas per country indicated below:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	

3920	Other plates, sheets, film, foil and strip, of plastics, non-cellular and not-reinforced, laminated, supported or similarly combined with other materials	Manufacture from materials of any heading except that of the product. However, materials of the same heading as the product may be used, provided that their total value does not exceed 50 per cent of the ex works price of the product	Manufacture in which the value of all the materials used does not exceed 55 per cent of the ex works price of the product
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Colombia	Peru	Ecuador
2,043 Metric Tonnes	2,043 Metric Tonnes	2,043 Metric Tonnes

If more than 75 per cent of the above-stated quota quantities is used during a given year, these quantities shall be reviewed, with a view to agree on their increase, in the Subcommittee.

Note 6

The following rule shall confer origin for products exported from Peru to the United Kingdom within the annual quota indicated below:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
ex 5607 50 and 5608	Twine (cordage) and nets	Manufacture from high tenacity filament yarn classified in subheadings 5402 11, 5402 19 or 5402 20	

HS classification	Peru
Ex 5607 50 and 5608	108 Metric Tonnes

This quantity shall be subject to revision every three years, in a period of 12 years. If more than 75 per cent of the above-stated quota quantity is used per year during that 3-year period, the quantity for the next three years

will be increased by the rate of growth over the same period of exports from Peru to the United Kingdom of products of chapter 50 to 63 or by 5 per cent, whichever is higher.

The revision mentioned in paragraph 1 will be made according to the data published by the United Kingdom as soon as they are available. The United Kingdom Government shall publish the adjusted quotas.

Note 7

The following rule shall confer origin for products exported from Colombia, Ecuador and Peru to the United Kingdom within the annual quotas per country indicated below:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
6108.22	Women's or girls' briefs and panties, knitted or crocheted of man-made fibres	Manufacture from nylon yarn or elastomeric yarns from headings 5402 and 5404	
6112.31	Men's or boys' swimwear knitted or crocheted of synthetic fibres	Manufacture from nylon yarn or elastomeric yarns from headings 5402 and 5404	
6112.41	Women's or girls' swimwear knitted or crocheted of synthetic fibres	Manufacture from nylon yarn or elastomeric yarns from headings 5402 and 5404	
6115.10	Graduated compression hosiery (for example, stockings for varicose veins), knitted or crocheted	Manufacture from nylon yarn or elastomeric yarns from headings 5402 and 5404	
6115.21	Other pantyhose and tights of synthetic fibres measuring per single yarn less than 67 decitex, knitted or crocheted	Manufacture from nylon yarn or elastomeric yarns from headings 5402 and 5404	
6115.22	Other pantyhose and tights of synthetic fibres measuring per single yarn 67 decitex or more, knitted or crocheted	Manufacture from nylon yarn or elastomeric yarns from headings 5402 and 5404	

6115.30	Other women's full-length or knee length hosiery, measuring per single yarn less than 67 decitex	Manufacture from nylon yarn or elastomeric yarns from headings 5402 and 5404	
6115.96	Other, of synthetic fibres	Manufacture from nylon yarn or elastomeric yarns from headings 5402 and 5404	

HS heading	Colombia (Metric Tonnes)	Peru (Metric Tonnes)	Ecuador (Metric Tonnes)
6108.22	27	27	27
6112.31	3	3	3
6112.41	14	14	14
6115.10	3	3	3
6115.21	5	5	5
6115.22	2	2	2
6115.30	3	3	3
6115.96	24	24	24

If more than 75 per cent of the above-stated quota quantities is used during a given year, these quantities shall be reviewed, with a view to agree on their increase, in the Subcommittee.

Note 7a

The following rule shall confer origin for products exported from Ecuador to the United Kingdom and from the United Kingdom to Ecuador:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
ex 6504	Toquilla straw hats	Manufacture in which the toquilla straw of heading 1401 used is originating	

Note 8

The rules of origin provided for in Appendix 2 for the products listed below shall apply for as long as the United Kingdom maintains a 0 per cent WTO bound tariff for these products. If the United Kingdom increases the WTO bound tariff applicable to these products, the following rule shall confer origin for products exported from Colombia, Ecuador and Peru to the United Kingdom within the annual quotas per country indicated below:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
7209 to 7214	Flat-rolled products of iron or non-alloy steel; bars and rods of iron or non-alloy steel	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 50 per cent of the ex-works price of the product
7216 to 7217	Angles, shapes and sections of iron or non-alloy steel; wire of iron or non-alloy steel	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 50 per cent of the ex-works price of the product
7304 to 7306	Tubes, pipes and hollow profiles, of iron or steel	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 50 per cent of the ex-works price of the product
7308	Structures and parts of structures, of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 50 per cent of the ex-works price of the product

HS heading	Description	Colombia (Metric Tonnes)	Peru (Metric Tonnes)	Ecuador (Metric Tonnes)
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7209	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled (cold-reduced), not clad, plated or coated	13,620	13,620	13,620
7210	Flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated	13,620	13,620	13,620
7211	Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, not clad, plated or coated			
7212	Flat-rolled products of iron or non-alloy steel, of a width of less than 600 mm, clad, plated or coated	13,620	13,620	13,620
7213	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel	13,620	13,620	13,620
7214	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling	13,620	13,620	13,620
7216	Angles, shapes and sections of iron or non-alloy steel	13,620	13,620	13,620
7217	Wire of iron or non-alloy steel	6,810	6,810	6,810
7304	Tubes, pipes and hollow profiles, seamless, of iron (other than cast iron) or steel	6,810	6,810	6,810
7305	Other tubes and pipes (for example, welded, riveted or similarly closed), having circular cross-sections, the external diameter of which exceeds 406,4 mm, of iron or steel	6,810	6,810	6,810
7306	Other tubes, pipes and hollow profiles (for example, open seam or welded, riveted or similarly closed), of iron or steel	13,620	13,620	13,620
7308	Structures and parts of structures, of iron or steel; plates, rods, angles, shapes, sections, tubes and the like, prepared for use in structures, of iron or steel	6,810	6,810	6,810

When 50 per cent of a quota entry is reached, during a given year, the annual tonnage shall increase by 50 per cent for the following year. The basis for calculation shall be the quota quantity of the previous year. These quantities, as well as the basis for calculation may be revised at the request of any Party upon agreement with the other Parties.

Note 9

The following rule shall confer origin for products exported from Colombia, Ecuador and Peru to the United Kingdom within the annual quotas per country indicated below:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status
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(1)	(2)	(3) or (4)	
7321	Stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas rings, plate warmers and similar nonelectric domestic appliances, and parts thereof, of iron or steel	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 50 per cent of the ex-works price of the product
7323	Table, kitchen or other household articles and parts thereof, of iron or steel; iron or steel wool; pot scourers and scouring or polishing pads, gloves and the like, of iron or steel	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 50 per cent of the ex-works price of the product
7325	Other cast articles of iron or steel	Manufacture from materials of any heading, except that of the product	Manufacture in which the value of all the materials used does not exceed 50 per cent of the ex-works price of the product

HS heading	Colombia	Peru	Ecuador
7321	2,724 units	2,724 units	2,724 units
7323	6,810 Metric Tonnes	6,810 Metric Tonnes	6,810 Metric Tonnes
7325	6,810 Metric Tonnes	6,810 Metric Tonnes	6,810 Metric Tonnes

These quantities may be revised at the request of any Party upon agreement with the other Parties.”.

APPENDIX 4

INVOICE DECLARATION

Appendix 4 is replaced by the following:

“INVOICE DECLARATION

Specific requirements as for the making out of an invoice declaration

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

Spanish version

El exportador de los productos incluidos en el presente documento (autorización aduanera o de la autoridad gubernamental competente N° ... ⁽¹⁾) declara que, salvo indicación en sentido contrario, estos productos gozan de un origen preferencial ... ⁽²⁾.

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⁾.

..... ⁽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)

¹ When the invoice declaration is made out by an approved exporter within the meaning of Article 21 of Annex II, Concerning the Definition of the Concept of “Originating Products” and Methods of Administrative Cooperation, the authorisation number of the approved exporter must be entered in this space. When the invoice declaration is not made out by an approved exporter, the words in brackets shall be omitted or the space left blank.

² Origin of products to be indicated.

³ These indications may be omitted if the information is contained on the document itself.

⁴ See Article 20(5) of Annex II, Concerning the Definition of the Concept of “Originating Products” and Methods of Administrative Cooperation. In cases where the exporter is not required to sign, the exemption of signature also implies the exemption of the name of the signatory.”.

APPENDIX 5

1. Appendix 5 is replaced by the following:

“PRODUCTS TO WHICH SUBPARAGRAPH (b) OF THE DECLARATION OF THE UNITED KINGDOM CONCERNING ARTICLE 5 IN RELATION TO ORIGINATING PRODUCTS FROM COLOMBIA, ECUADOR AND PERU APPLIES

1. The conditions established in subparagraph (b) of the Declaration of the United Kingdom concerning Article 5 in relation to originating products from Colombia, Ecuador and Peru apply for determining the origin of the following products exported from Peru to the United Kingdom subject to the annual quotas established below:

Combined Nomenclature 2008	Description	Metric Tonnes
0303 74 30	Frozen mackerel "Scomber scombrus" and "Scomber japonicus"	666
0303 79 65	Frozen anchovies "Engraulis spp."	20
0303 79 91	Horse mackerel "scad" "Caranx trachurus, Trachurus trachurus", frozen	10
0307 49 59	Frozen squid "Ommastrephes spp.", "Nototodarus spp." and "Sepioteuthis spp.", with or without shell (excl. "Ommastrephes Sagittatus")	700
0307 49 99	Squid "Ommastrephes spp.", "Nototodarus spp.", "Sepioteuthis spp.", dried, salted or in brine, with or without shell (excl. "Ommastrephes Sagittatus")	417
1604 15 11	Fillets of mackerel of the species Scomber scombrus and Scomber japonicus, prepared or preserved	333
1604 15 19	Mackerel of the species Scomber scombrus and Scomber japonicus, prepared or preserved, whole or in pieces (excl. minced mackerel and fillets of mackerel)	133
1604 15 90	Prepared or preserved mackerel of species Scomber australasicus, whole or in pieces (excl. minced)	3
1604 16 00	Prepared or preserved anchovies, whole or in pieces (excl. minced)	67
1604 20 40	Prepared or preserved anchovies (excl. whole or in pieces)	6
1605 90 30	Mussels, snails and other molluscs, prepared or preserved (excl. mussels of the species Mytilus and of the species Perna)	83

2. The proofs of origin issued or made out for products which use the quotas established in this Appendix shall bear the following statement in English: "Product originating in accordance with Appendix 5 of Annex II".
3. The quotas established in this Appendix shall be managed on a first-come, first-served basis. The quantities exported to the United Kingdom shall be calculated on the basis of the imports of the United Kingdom.
4. For greater certainty, if the entry into force of this Agreement corresponds to a date after 1 January up until and inclusive of 31 December of the same calendar year, the quota will be pro-rated on a proportional basis for the remainder of that calendar year."

DECLARATIONS

JOINT DECLARATION ON THE REVISION OF THE RULES OF ORIGIN CONTAINED IN ANNEX II CONCERNING THE DEFINITION OF "ORIGINATING PRODUCTS" AND METHODS OF ADMINISTRATIVE COOPERATION

1. The “*Declaration of the European Union concerning Article 5 in relation to originating products from Colombia, Ecuador and Peru*” is replaced by the following:

“DECLARATION OF THE UNITED KINGDOM CONCERNING ARTICLE 5 IN RELATION TO ORIGINATING PRODUCTS FROM COLOMBIA, ECUADOR AND PERU

The United Kingdom declares that, for the purposes of subparagraphs 1(f) and 1(g) of Article 5 of Annex II Concerning the Definition of the Concept of ‘Originating Products’ and Methods of Administrative Cooperation (hereinafter referred to as ‘the Annex’):

- (a) the terms ‘their vessels’ and ‘their factory ships’ shall apply only to vessels and factory ships which¹
 - (i) are registered in the United Kingdom or in a signatory Andean Country;
 - (ii) sail under the flag of the United Kingdom or of a signatory Andean Country; and
 - (iii) meet the following conditions:
 - they are at least 50 percent owned by nationals of the United Kingdom, of a European Union Member State or of a signatory Andean Country; or
 - they are owned by juridical persons:
 - = which have their head office and their main place of business in the United Kingdom, in a European Union Member State or in a signatory Andean Country, and
 - = which are at least 50 percent owned by nationals or public entities of the United Kingdom, of a European Union Member State or of a signatory Andean Country.
- (b) notwithstanding subparagraph (a), the terms ‘their vessels’ and ‘their factory ships’ shall also apply to vessels and factory ships that capture products of sea fishing within 200 nautical miles from the baselines of Peru and that comply with the following conditions:
 - (i) they are registered in the United Kingdom or in a signatory Andean Country;
 - (ii) they sail under the flag of the United Kingdom or of a signatory Andean Country;
 - (iii) they land their captures in Peru; and
 - (iv) they are owned by juridical persons:
 - which have their head office and their main place of business in the United Kingdom, in a European Union Member State or in a signatory Andean Country, and

¹ For the purposes of fulfilling the conditions for the vessels and factory ships established under this subparagraph of this Declaration, cumulation of origin may apply with a member Countries of the Andean Community that is not a Party to this Agreement, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama and Venezuela.

- who collect more than 50 percent of their total turnover in the United Kingdom, in a European Union Member State or in a signatory Andean Country

The conditions established in this subparagraph (b) shall be applicable to products specified in Appendix 5.

Every three years from the entry into force of this Agreement, the United Kingdom shall review Appendix V, taking into account the situation of the biomass within 200 nautical miles from the baselines of Peru, the investments in Peru, its export capacity and the social and economic impact in the United Kingdom.

The provisions of the Annex and its Appendices shall be applicable to the present Declaration, which constitutes an integral part of this Agreement.”.

2. The “*Joint declaration of Colombia, Ecuador and Peru concerning Article 5 in relation to originating products from the European Union*” is replaced by the following:

“JOINT DECLARATION OF COLOMBIA, ECUADOR AND PERU CONCERNING ARTICLE 5 IN RELATION TO ORIGINATING PRODUCTS FROM THE UNITED KINGDOM

The Republic of Colombia, the Republic of Ecuador and the Republic of Peru declare that, for the purposes of subparagraphs 1(f) and 1(g) of Article 5 of Annex II Concerning the Definition of The Concept of ‘Originating Products’ and Methods of Administrative Cooperation (hereinafter referred to as ‘the Annex’):

The terms ‘their vessels’ and ‘their factory ships’ shall apply only to vessels and factory ships which:

- (a) are registered in the United Kingdom or in a signatory Andean Country;
- (b) sail under the flag of the United Kingdom or of a signatory Andean Country; and
- (c) meet the following conditions:
 - (i) they are at least 50 percent owned by nationals of the United Kingdom, of a European Union Member State or of a signatory Andean Country; or
 - (ii) they are owned by juridical persons:
 - which have their head office and their main place of business in the United Kingdom, in a European Union Member State or in a signatory Andean Country, and
 - which are at least 50 percent owned by nationals or public entities of the United Kingdom, of a European Union Member State or of a signatory Andean Country.

The provisions of the Annex and its Appendices shall be applicable to this Declaration, which constitutes an integral part of this Agreement.”.

3. The “*Joint Declaration concerning the Principality of Andorra*” is replaced by the following:

“JOINT DECLARATION CONCERNING THE PRINCIPALITY OF ANDORRA

1. Products originating in the Principality of Andorra meeting the conditions of subparagraph 4(b) of Article 3A of Annex II Concerning the Definition of the Concept of ‘Originating Products’ and Methods of Administrative Cooperation (hereinafter referred to as ‘the Annex’), and falling within Chapters 25 to 97 of the Harmonised System shall be accepted by the Parties as originating in the European Union within the meaning of this Annex.

2. The Annex shall apply *mutatis mutandis* for the purposes of defining the originating status of the above-mentioned products.”.

4. The “*Joint Declaration concerning the Republic of San Marino*” is replaced by the following:

“JOINT DECLARATION CONCERNING THE REPUBLIC OF SAN MARINO

1. Products originating in the Republic of San Marino meeting the conditions of subparagraph 4(b) of Article 3A of Annex II Concerning the Definition of the Concept of ‘Originating Products’ and Methods of Administrative Cooperation (hereinafter referred to as ‘the Annex’) shall be accepted by the Parties as originating in the European Union within the meaning of this Annex.

2. The Annex shall apply *mutatis mutandis* for the purposes of defining the originating status of the above-mentioned products.”.

5. The Parties agree to make the following Joint Declaration regarding Annex II:

“JOINT DECLARATION CONCERNING A TRILATERAL APPROACH TO RULES OF ORIGIN

1. In advance of trade negotiations between the European Union and the United Kingdom, the Parties recognise that a trilateral approach to rules of origin, involving the European Union, is the preferred outcome in trading arrangements between the Parties and the European Union. This approach would replicate coverage of existing trade flows, and allow for continued recognition of originating content from the Parties and from the European Union in exports to each other, as per the intention of the EU-Andean Countries Trade Agreement. In this regard, the Governments of the United Kingdom and the signatory Andean Countries understand that any bilateral arrangement between the Parties represents a first step towards this outcome.

2. In the event of an agreement between the United Kingdom and the European Union, the Parties approve taking the necessary steps, as a matter of urgency, to update Annex II, as incorporated into this Agreement, to reflect a trilateral approach to Rules of Origin, involving the European Union. The necessary steps will be taken in accordance with the procedures of the Trade Committee.”.