

**Protocol A concerning the definition of originating products and methods of administrative cooperation to the Agreement between Ukraine and the Republic of Latvia**

**TITLE I  
GENERAL PROVISIONS**

**Article 1**

**Definitions**

For the purposes of this Protocol:

- (a) 'manufacture' means any kind of working or processing including assembly or specific operations;
- (b) 'material' means any ingredient, raw material, component or part, etc., used in the manufacture of the product;
- (c) 'product' means the product being manufactured, even if it is intended or later use in another manufacturing operation;
- (d) 'goods' means both materials and products;
- (e) 'customs value' means the value as determined in accordance with the Agreement on implementation of Article VII of the General Agreement on Tariffs and Trade, done at Geneva on 12 April 1979;
- (f) 'ex-works price' means the price paid for the product ex-works to the manufacturer in whose undertaking the last working or processing is carried out provided the price includes the value of all the materials used, minus all internal taxes which are, or may be, repaid when the product obtained is exported;
- (g) 'value of materials' means the customs value at the time of importation of the non-originating materials used, or, if this is not known and cannot be ascertained, the first ascertainable price paid for the materials in the territories concerned;
- (h) 'value of originating materials' means the customs value of such materials as defined in subparagraph
- (g) applied mutadis mutandis;
- (i) 'added value' shall be taken to be the ex-works price minus the customs value of each of the products incorporated which did not originate in the country in which those products were obtained.
- (j) 'chapters' and 'headings' means the chapters and the headings (four digit codes) used in the nomenclature which makes up the Harmonized Commodity Description and Coding System, referred to in this Protocol as 'the Harmonized System' or 'HS';
- (k) 'classified' refers to the classification of a product or material under a particular heading;
- (l) 'consignment' means products which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice.
- (m) 'customs authorities' means customs and/or other authorized competent organs of the Parties,

which are responsible for the legalisation and distribution of Certificates of origin of products.

## **TITLE II DEFINITION OF THE CONCEPT OF "ORIGINATING PRODUCTS"**

### **Article 2 Origin criteria**

For the purpose of implementing this Agreement and without prejudice to the provisions of Articles 3 and 4 of this Protocol, the following products shall be considered as

#### **1. Products originating in Ukraine**

- a) products wholly obtained in Ukraine, within the meaning of Article 5 of this Protocol;
- b) products obtained in Ukraine which contain materials not wholly obtained there, provided that the said materials have undergone sufficient working and processing in Ukraine within the meaning of Article 6 of this Protocol;

#### **2. Products originating in Latvia**

- a) products wholly obtained in Latvia within the meaning of Article 5 of this Protocol;
- b) products obtained in Latvia which contain materials not wholly obtained there, provided that the said materials have undergone sufficient working or processing in Latvia within the meaning of Article 6 of this Protocol.

### **Article 3 Bilateral cumulation**

1. Notwithstanding Article 2(a) and (b) of this Protocol, products shall be considered as originating in a Party if they are wholly obtained in that Party or are obtained in that Party from materials originating in that Party or in the other Party, provided that such materials have undergone sufficient working or processing in that Party.



-which are owned to an extent of at least 50 per cent by nationals of Ukraine or of Latvia, or by a company with its head office in Ukraine or in Latvia, of which the manager or managers, chairman of the board of directors or the supervisory board, and the majority

matching (including the making-up of sets of articles), washing, painting, cutting up;

(c) (i) changes of packaging and breaking up and assembly of packages;

(ii) simple placing in bottles, flasks, bags, cases, boxes, fixing on cards or boards, etc., and all other simple packaging operations;

(d) affixing marks, labels and other like distinguishing signs on products or their packaging;

(e) simple mixing of products, whether or not of different kinds, where one or more components of the mixtures do not meet the conditions laid down in this Protocol to enable them to be considered as originating in Ukraine or in Latvia;

(f) simple assembly of parts to constitute a complete product;

(g) a combination of two or more operations specified in subparagraphs (a) to (f);

(h) slaughter of animals.

## **Article 8**

### **Unit of qualification**

1. The unit qualification for the application of the provisions of this Protocol shall be the particular product which is considered as the basic unit when determining classification using the nomenclature of the Harmonized System.

Accordingly, it follows that:

(a) when a product composed of a group or assembly of articles is classified under the terms of the Harmonized System in a single heading, the whole constitutes the unit of qualification;

(b) when a consignment consists of a number of identical products classified under the same heading of the Harmonized System, each product must be taken individually when applying the provisions of this Protocol.

2. Where, under general rule 5 of the Harmonized System, packaging is included with the product for classification purposes, it shall be included for the purposes of determining origin.

## **Article 9**

### **Accessories, spare parts and tools**

Accessories, spare parts and tools dispatched with a piece of equipment, machine, apparatus or vehicle, which are part of the normal equipment and included in the price thereof or which are not separately invoiced, shall be regarded as one with the piece of equipment.  
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**Article 11**  
**Neutral elements**

In order to determine whether a product originates in Ukraine or in Latvia it shall not be necessary to establish whether the electrical energy, fuel, plant and equipment as well as machines and tools used to obtain such product, or whether any goods, used in the course of production which do not enter and which were not intended to enter into the final composition of the product, are originating or not.



1. A movement certificate EUR.1 shall be issued by the customs authorities of the exporting country on application having been made in writing by the exporter or, under the exporter's responsibility, by his authorized representative.

2. For this purpose, the exporter or his authorized representative shall fill out both the movement certificate EUR.1 and the application form, specimens of which appear in Annex III.

These forms shall be completed in one of the languages in which the Agreement is drawn up, in accordance with the provisions of the domestic law of the exporting country. If they are handwritten, they shall be completed in ink in capital letters. 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.

3. The exporter applying for the issue of a movement certificate EUR.1 shall be responsible for the accuracy of the information furnished in the application form.



exporter as soon as actual exportation has been effected or ensured.

## **Article 18**

### **Movement certificates EUR.1 issued retrospectively**

1. Notwithstanding Article 17 (8), a movement certificate EUR.1 may exceptionally be issued after exportation of the products to which it relates if:

(a) it was not issued at the time of exportation because of errors or involuntary omissions or special circumstances; or

(b) it is demonstrated to the satisfaction of the customs authorities that a movement certificate EUR.1 was issued but was not accepted at importation for technical reasons.

2. For the implementation of paragraph 1, the exporter must indicate in this application the place and date of exportation of the products to which the movement certificate EUR.1 relates, and state the reasons for his request.

3. The customs authorities may issue a movement certificate EUR.1 retrospectively only after verifying that the information supplied in the exporter's application agrees with that in the corresponding file.

4. Movement certificates EUR.1 issued retrospectively must be endorsed with one of the following phrases:

"TAGANTJRELE LJAANTUD","ISSUED RETROSPECTIVELY",.....

5. The endorsement referred to in paragraph 4 shall be inserted in the 'Remarks' box of the movement certificate EUR.1.

## **Article 19**

### **Issue of a duplicate movement certificate EUR.1**

1. In the event of theft, loss or destruction of a movement certificate EUR.1, the

2. The replacement certificates shall be regarded as a definite movement certificate EUR.1 for the purpose of the application of this Protocol, including the provisions of this Article.

3. The replacement certificates shall be issued on the basis of a written request from the reexporter, after the authorities concerned have verified the information supplied in the applicant's request. The date and serial number of the original movement certificate EUR.1 shall be given in box 7.

## **Article 21**

### **Simplified procedure for the issue of certificates**

1. By way of derogation from Articles 17, 18 and 19 of this Protocol, a simplified procedure for the issue of EUR.1 movement certificates can be used in accordance with the following provisions.

2. The customs authorities in the exporting State may authorize any exporter, hereinafter referred to as 'approved exporter', making frequent shipments for which EUR.1 movement certificates may be issued and who offers, to the satisfaction of the competent authorities, all guarantees necessary to verify the originating status of the products, not to submit to the customs office



**Article 25**  
**Form EUR.2**

1. Notwithstanding Article 16, the evidence of originating status, within the meaning of this Protocol, for consignments containing only originating products and whose value does not exceed ECU [3000] per consignment, may be given by a form EUR.2, a specimen of which appears in Annex IV to this Protocol.
  
2. The form EUR.2 shall be completed and signed

When the amounts exceed the corresponding amounts fixed by the importing country, the latter shall accept them if the products are invoiced in the currency of the exporting country or in the currency of one of the other countries referred to in Article 4 of this Protocol.

## **TITLE V ARRANGEMENTS FOR ADMINISTRATIVE COOPERATION**

### **Article 29 Communication of stamps and addresses**

The customs authorities of Ukraine and of Latvia shall provide each other, with specimen impressions of stamps used in their customs offices for the issue of EUR.1 certificates and with the addresses of the customs authorities responsible for issuing movement certificates EUR.1 and for verifying those certificates and forms EUR.2.

### **Article 30 Verification of movement certificates EUR.1 and of forms EUR.2**

1. Subsequent verification of movement certificates EUR.1 and forms EUR.2 shall be carried out randomly or whenever the customs authorities of the importing state have reasoned to doubt the authenticity of such documents, the originating status of the products concerned or the fulfilment of the other requirements of this Protocol.
2. For the purposes of implementing the provisions of paragraph 1, the customs authorities of the importing country shall return the movement certificate EUR.1, the Form EUR.2, or a copy of these documents, to the customs authorities of the exporting country giving, where appropriate, the reasons of substance or form for an inquiry.
3. The verification shall be carried out by the customs authorities of the exporting country. For this purpose, they shall have the right to call for any evidence and to carry out any inspection of the exporter's accounts or any other check which they consider appropriate.
4. If the customs authorities of the importing country decide to suspend the granting of preferential treatment to the products concerned while awaiting the results of the verification, they shall offer to release the products to the importer subject to any precautionary measures judged necessary.
5. The customs authorities requesting the verification shall be informed of the results of this verification within a maximum of ten months. These results must indicate clearly whether the documents are authentic and whether the products concerned can be considered as originating products and fulfil the other requirements of this Protocol.
6. If in cases of reasonable doubt there is no reply within ten months or if the reply does not contain sufficient information to determine the authenticity of the document in question or the real origin of the products, the requesting customs authorities shall, except in the case of force majeure or in exceptional circumstances, refuse entitlement to the preferences.

### **Article 31 Dispute settlement**

Where disputes arise in relation to the verification procedures of Article 30 which cannot be settled between the customs authorities requesting a verification and the customs authorities responsible for carrying out this verification or where they raise a question as to the interpretation of this Protocol, they shall be submitted to the Joint Committee.

In all cases the settlement of disputes between the importer and the customs authorities of the

importing State shall be under the legislation of the said State.

**Article 32**  
**Penalties**

Penalties shall be imposed on any person who draws up, or causes to be drawn up, a document which contains incorrect information for the purpose of obtaining a preferential treatment for products.

**Article 33**  
**Free zones**

1. Ukraine and Latvia shall take all necessary steps to ensure that products traded under cover of a movement certificate EUR.1, which in the course of transport use a free zone situated in their territory, are not substituted by other goods and that they do not undergo handling other than normal operations designed to prevent their deterioration.

## **Goods in transit or storage**

The provisions of the Agreement may be applied to goods which comply with the provisions of this Protocol and which on the date of entry into force of the Agreement are either in transit or are in Ukraine or in Latvia or, in so far as the provisions of Article 2 are applicable, in Estonia or Lithuania or the European Community in temporary storage in bonded warehouses or in free zones, subject to the submission to the customs authorities of the importing State, within four months of that date, of a certificate EUR.1 endorsed retrospectively by the competent authorities of the exporting State together with the documents showing that the goods have been transported directly.

## **Article 39**

### **Amendments to the Protocol**

Amendments to the Protocol should be done in accordance with Article 2 of the Agreement.

Such examination shall take into account in particular the participation of the Parties in free trade zones or customs unions with third countries.

**ANNEX VI  
to the Protocol A**

In order to facilitate the implementation of this Agreement, Latvia will accept certificates EUR.1 issued by the Chamber of Commerce and Industry of Ukraine within the period of one year from the day of the entry into force of this Agreement.