STATUTORY INSTRUMENTS

2020 No. 1436

The Customs (Origin of Chargeable Goods: Trade Preference Scheme) (EU Exit) Regulations 2020

Extended cumulation

18.—(1) A beneficiary country (in this regulation, "the cumulating beneficiary country") may regard qualifying goods originating from a country or territory in accordance with a trade arrangement between that country or territory to which none of regulations 15 to 17 may apply (in this regulation, "the TA country") and the United Kingdom, implemented under section 9 of the Act (preferential rates: arrangements with countries or territories outside the UK), as goods originating from the cumulating beneficiary country if—

(a) the materials used in the goods are further processed in, or incorporated into, goods manufactured in the cumulating beneficiary country;

(b) the conditions set out in paragraph (3) are met; and

(c) the Secretary of State has published a notice under paragraph (4).

(2) Extended cumulation does not apply in respect of goods listed in Chapters 1 to 24.

(3) The conditions mentioned in paragraph (1)(b) are that—

(a) the processing carried out in the beneficiary country where the materials are further processed or incorporated must go beyond the processing described in regulation 7(2);

(b) the cumulating beneficiary country must have submitted a written request for the purpose, and provided evidence, to the Secretary of State of trade benefits of allowing the extended cumulation;

(c) the Secretary of State, after taking that evidence into account, is satisfied that there would be trade benefits in allowing the extended cumulation

(d) the TA country must have agreed to cooperate administratively with the cumulating beneficiary country.

(4) The Secretary of State may publish a notice specifying—

(a) the beneficiary countries in respect of which paragraph (1) applies;

(b) the date from which the extended cumulation may take effect;

(c) the countries concerned; and

(d) if the Secretary of State considers it appropriate, the materials in respect of which the extended cumulation may apply.

(5) In this regulation, "extended cumulation" refers to the system whereby a beneficiary country ("C") may regard qualifying goods originating from a country or territory in accordance with a trade arrangement between that country or territory, to which none of regulations 15 to 17 may apply, and the United Kingdom, implemented under section 9 of the Act, as goods originating from C in the circumstances described in paragraph (1).