



## EUROPEAN COMMISSION

Directorate-General for Trade

Directorate E - Neighbouring countries, USA and Canada  
**USA and Canada**

Brussels,  
USA and Canada

### Meeting Report

#### Meeting on proof and verification with Business Europe today

Ignacio, Mauro, Denis,

Just some feedback on the meeting on proofs and verification of today with Business Europe / TAXUD (AK, JMG, AK)/TRADE (FPP, IGC)

First, very attended and active meeting (more than 50 people in the room) from DE, FR, IT, TK, DK federations, ACEA, CEFIC, EURATEX, EUROMETAUX, FOODRINKEUROPE + several national car industries.

There are two basic concerns from industry:

- a) Confidentiality: [Article 4.1a third indent] that confidential information on origin such as the value paid for the materials, suppliers, etc reaches the importer in the US or the US customs authorities/other US agencies . Basically this means that verifications should necessarily be made by the EU exports authorities exclusively. The idea of the concept paper in which verifications are made in first place by the import authorities by addressing to the importer will be difficultly accepted.
- b) Cost of the scheme on proof and verification: Against the idea that the importer will assume the whole responsibility on the origin of the products and that, in case verification is started, he will have to proof that the product is originating (how to force the exporter to give such information?) and pay the due duties otherwise, having only the remedy to address back to the exporter using the private commercial contract. The cost / difficulties of suing exporters in US is too high. The system needs to be more balanced

Consequence that they foresee: if there is no certain predictability/ legal certainty about import responsibility under TTIP or too many changes and adaptations are needed, EU importers will not use the FTA.

Some concrete comments /questions from business:

- Is there any concept paper by US. Is the EU concept paper a joint position EU/US?
- The exporter has to be involved on the responsibility on the origin of goods
- The choice on proof (i.e. knowledge of the importer/statement on origin) is not real, as the US customs authorities will force the importer to get detailed information/proofs and therefore US importers will ask back EU exporters such details when making the private commercial deal.
- How customs brokers are to be treated? (In US is an extra cost)
- EU exporters, will they have to be approved? TAXUD: No, but registered (REX)
- Could not Authorised Economic Operators have special status on verification in the way that they should not be subject to verification?
- Today exporters address to customs about how to calculate VA, etc and then they feel ensured in case of verification as they are verified by the same customs that helped them to calculate the origin. In the new system it will be US customs stating the origin, so there will be no certainty.
- As exporters they do not want different systems in every FTA. And even if the system of the concept paper is exported to all EU FTAs there will be no real harmonisation, as the system is focused on the importing side and the importing customs is different in every FTA.

A representative from FORD gave clear explanations on the US system. [REDACTED]

[Art. 4.1(a) third indent]

Regards,

4.1b