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Rules of Origin Experts required – Joint Brexit project between LIA/EURIS – UK Government and the University of Sussex

The Lighting Industry Association has been working over recent months as part of the EURIS Task Force in lobbying the UK government to get the best possible outcomes for our industry sectors from Brexit negotiations. A major issue that has been highlighted is the impact of the application of Rules of Origin on UK products once they stop being counted as EU products. Rules of Origin determine when a product can be certified as being from a particular country or market to decide whether it qualifies for any preferential tariffs that apply in free trade agreements (FTAs). Typically a proportion such as 50% of the value of the product must be derived from the country to allow it to be certified as originating in that country, based usually on the material and components rather than the labour, intellectual property or know-how contributed. Without enforcement of these Rules, it would be possible for importers of products to route them through the country or market with the best tariff deals without any significant value being added.

Post-Brexit (or at least after the transition/implementation period ends in December 2020) UK products and components will cease to count for assessing the EU origin of goods and systems and so will cease to benefit from current tariff-free trade with the EU and also any preferential tariff rates under FTAs the EU holds. It is possible that a preferential tariff agreement will be negotiated and that the EU FTAs will be rolled over to continue to benefit the UK but this cannot be guaranteed. There is also an ongoing risk that EU manufacturers who have UK content in their supply or value chain will switch that supply to within the EU27 to ensure the end products will continue to count as of EU origin.

EURIS is now assisting BEIS in assessing the impact on our product sectors of this issue and to do this we are seeking information from member companies on:

- Current challenges in certifying origin of products
- Typical supply and value chain positions and complexities
- Extent of exports and imports to and from the EU27 and other markets subject to EU FTAs

We will be carrying out this survey work in conjunction with BEIS civil servants who will look to discuss impacts directly with companies to provide detailed examples with which to brief the Ministers involved in the political negotiations and also the trade negotiators who will be agreeing the detail of future free trade agreements with the EU (and other markets). We are also working with the UK Trade Policy Observatory at the University of Sussex to compile a report on the overall position of our industry sector which can then be used to ensure an accurate view can be taken of the impacts of these changes.

It is extremely important for our industry to get the most detailed and complete picture possible as similar exercises will be carried out for other industries such as automotive, aerospace and pharma. UK government will need to make decisions on which industries to prioritise in negotiation and unless we provide them with a thorough assessment, other industries will be likely to take priority.

For now, please could you send contact details of the individual (or individuals) in your company who can provide detailed information on the current position of your products for Rules and Certification of Origin and also examples of your company and product position within international supply and value chains. We will then compile from those company experts a picture of the varying positions within our sectors, working with both our government and academic partners. It is recognised that many companies may not have specific expertise on this subject as it may not have been a significant issue while the UK is an EU member state but if you can nominate somebody who knows the wider picture of your product manufacturing and sales cycle then that should provide the information required.

Yours sincerely,



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