

Federal Law No. 11

Issued on 19/12/2019

Corresponding to 22 Rabi' Al-Akhar 1441 H.

ON THE RULES AND CERTIFICATES OF ORIGIN

We, Khalifa Bin Zayed Al Nahyan, President of the United Arab Emirates State,

After perusal of the Constitution,

Federal Law no. (1) of 1972 on the Competencies of Ministries and Powers of Ministers, and its

amendments;

Federal Law no. (5) of 1975 on the Commercial Register;

Federal Law no. (1) of 1979 on the Regulation of Industrial Affairs;

Federal Law no. (18) of 1981 on the regulation of commercial agencies, and its amendments;

Federal Law no. (6) of 1983 on the determination of fees imposed on the certificates of origin of

the national Products of the United Arab Emirates;

Federal Law no. (3) of 1987 promulgating the Penal Code, and its amendments;

Federal Law no. (11) of 1992 promulgating the Civil Procedure Law, and its amendments;

Federal Law no. (35) of 1992 promulgating the Penal Procedure Law and its amendments;

Federal Law no. (37) of 1992 on Trademarks, and its amendments;

Federal Law no. (18) of 1993 on the promulgation of the Commercial Transactions Law;

Federal Law no. (18) of 1995 on simple crafts;

Federal Law no. (22) of 2000 on the Federation of the Chambers of Commerce and Industry;

Federal Law no. (17) of 2002 on the regulation and protection of industrial property rights for patents and industrial designs and models, and its amendments;

Federal Law no. (17) of 2004 on Anti-Commercial Concealment;

Federal Law no. (1) of 2006 on electronic transactions and commerce;

Federal Law no. (2) of 2015 on Commercial Companies and its amendments;

Federal Law no. (8) of 2015 on the Federal Customs Authority;

Federal Law no. (19) of 2016 on Combating Commercial Fraud;

Federal Law no. (1) of 2017 on Anti-dumping and Compensatory and Countervailing Measures;

And according to the suggestion of the Minister of Economy, the approval of the Cabinet and the

Federal National Council and the ratification of the Federal Supreme Council,

Issued the following Law:

Chapter 1

Article 1- Definitions

In the implementation of the provisions of this Law, the following words and expressions shall have the meanings stated beside them unless the context requires otherwise:

State: The United Arab Emirates.

Ministry: Ministry of Economy.

Minister: Minister of Economy.

Department: Competent Department at the Ministry.

Customs Departments: Local customs departments in every Emirate.

Chamber: Chambers of Commerce and Industry at the State.

Commodities: Materials and Products:

Materials: Any items, raw materials, components, parts, etc. used in the manufacture of the Product.

Products: Manufactured Products, even if they are intended for use in other Manufacturing processes.

Manufacturing: All operating or preparation processes, including assembly processes or specific processes.

Customs Value: Value of the Commodity determined according to the Customs Law at the State.

Rules of Origin: Basics that determine the Country of Origin of the Commodity, according to this Law or the Conventions.

Certificate of Origin: Document proving the Country of Origin of the Commodity.

Preferential Origin: Country of Origin specified based on the Conventions in order to give Preferential Treatment to the Commodity upon import or export.

Non-Preferential Origin: Country of Origin specified based on the general application of the Rules of Origin, without giving Preferential Treatment to the Commodity upon import or export.

Indication of Origin: Any expression indicating or stating that the goods were manufactured or produced in a country, whether stated on the Commodity itself or on its packaging in a non-removable manner.

Conventions: International, regional or bilateral Conventions to which the State is a party.

Country of Origin: Country where the Commodity is produced, manufactured or extracted according to the Rules of Origin.

Preferential Treatment: Granting the Commodities exemption or reduction of customs duties or granting them other advantages upon import or export, as determined by the provisions of the Conventions.

Chapter 2

Rules of Determination of the Country of Origin

Article 2- Fully Acquired Commodities

The Commodity shall be considered of the Country of Origin where it is fully acquired in any of the following cases:

- 1- Mineral Products extracted from its territory or seafloor.
- 2- Agricultural Products harvested therein.
- 3- Live animals born and raised therein.
- 4- Products of live animals raised therein.
- 5- Hunting or fishing Products therein.
- 6- Fishing Products and other Products obtained outside the country's territorial waters through the vessels of such country, and the Products manufactured on board such vessels, according to the rules determined by the Implementing Regulation of this Law.
- 7- Used Commodities collected therein and only suitable for the recovery of the raw materials therefrom.
- 8- Waste of Products resulting from the Manufacturing process therein.
- 9- Products extracted from the marine soil or soil outside the territorial waters of that country, provided that it alone has the right to exploit such soil.
- 10- Commodities produced therein of the Products referred to in paragraphs (1) to (9) hereof.

Article 3- Commodities Fully Prepared, Operated or Manufactured

The Products shall be considered of the origin of the country where they were obtained, containing Materials not fully obtained from that country, provided that sufficient preparation, operating or Manufacturing processes were conducted inside that country, according to the standards and rules determined by the Implementing Regulation of this Law.

Article 4- Insufficient Operating Cases

The operating processes are considered insufficient or secondary, whether conducted individually or jointly, in order to give the Commodity the capacity of the Country of Origin in any of the following cases:

1- Processes carried out to ensure that the Products are kept in good condition during transportation and storage, such as ventilation, deployment, drying, cooling, removal of damaged parts and other similar secondary processes.

2- Simple processes carried out on the Products such as the removal of dust, sifting, arranging, sorting, washing, painting, cutting, changing the packages, disassembling and assembling them, simple packaging in bottles, flasks, bags or boxes, pasting trademarks on the Products and their packages, simple mixing, animal slaughter and other similar simple processes.

Chapter 3 Proof of Country of Origin

Article 5- Cases of Proof of Country of Origin

1- The Commodities imported to the State are subject to the proof of Country of Origin, by submitting a Certificate of Origin or any other documents issued by the competent entity of the country of export, or the presence of a non-removable proof of origin on the Product, according to the rules agreed upon within the framework of Conventions and cases determined by the Implementing Regulation of this Law.

2- Notwithstanding the provisions of paragraph (1) of this Article, the Commodities imported to the State may be exempt from the submittal of a Certificate of Origin or documents proving the Country of Origin, according to the cases determined by the Implementing Regulation of this Law.

Article 6- Issuance of Certificates of Origin

1- The Ministry shall issue preferential certificates of origin to the national Commodities exported abroad, according to the rules and forms determined by the Conventions, and the procedures determined by the Implementing Regulation of this Law.

2- The Ministry shall issue non-preferential certificates of origin to the national Commodities exported abroad, and the Chamber shall issue them in coordination with the Ministry according to the general rules, forms and procedures determined by the Implementing Regulation of this Law.

3- The Chamber shall issue certificates of origin to the re-exported foreign Commodities according to the rules and procedures approved by it.

Article 7- Validity Period of the Certificate of Origin

The validity of the preferential and non-preferential Certificate of Origin shall be according to the periods determined by the Implementing Regulation of this Law, unless the Conventions stipulate otherwise.

Article 8- Record of the Certificates of Origin

1- The Department shall establish a record to register all the preferential and non-preferential certificates of origin and shall keep a copy thereof for a period not less than three years.

2- The Implementing Regulation of this Law shall determine the rules and controls on how to establish and maintain such records.

Chapter 4

Control of Validity of the Country of Origin

Article 9- Verification of Validity of the Country of Origin

1- The Customs Departments may, in coordination with the Department and in exceptional cases based on the presence of serious doubts about the validity of the Certificate of Origin or origin of the concerned Products, in case of duplication of origin between the certificate and the indication or in the presence of more than one indication of the origin of goods, refuse to grant Preferential Treatment to the Products imported to the State, until the Department confirms the validity of the Country of Origin or the true origin of the imported Products.

2- The Department shall, in case of refusal to grant Preferential Treatment to the Products imported to the State, return the Certificate of Origin and the documents related thereto to the competent entity at the country of export, stating the reasons of request of verification of the Certificate of Origin or origin of the imported Products. The Implementing Regulation shall determine the reasons and procedures of verification of the validity of the certificates of origin.

3- Taking in consideration clause (1) of this Article, the Customs Departments shall offer the importer to release such Products according to the customs procedures set forth in the Customs Laws at the State.

Article 10- Review of the Documents of Country of Origin

1- The Department may carry out a subsequent selective review of the proof documents of the Country of Origin upon presence of serious doubts in the validity of such documents, the origin of the concerned Products or the data and information submitted to prove the Country of Origin or other related reasons.

2- The Customs Departments shall, sua sponte and periodically or upon the request of the Department, provide the Ministry with copies of the preferential certificates of origin upon import to the State, to carry out a subsequent selective review of the validity of the Certificate of Origin or the real Country of Origin of the imported Products.

3- The Department may, in coordination with the Customs Departments, stop granting Preferential Treatment to the Products subject of verification, during the period of verification, provided that the importer is offered the release of such Products according to the customs procedures set forth in the Customs Laws at the State.

4- The Implementing Regulation of this Law shall determine the rules and procedures of subsequent review set forth in paragraphs (1), (2) and (3) of this Article.

Article 11- Minor and Formal Differences

1- The discovery of minor differences between the data stated in the Certificate of Origin and the customs clearance documents, shall not lead to the Certificate of Origin being automatically considered null, whenever it is proved that such documents are related to the submitted Products. The Implementing Regulation of this Law shall state the rules of determination of minor differences between the data stated in the Certificate of Origin and the customs clearance documents.

2- The typing or formal errors in the Certificate of Origin or the customs declaration shall not be considered a justification to reject the document, if such errors do not lead to serious doubts in the validity of the data stated in such documents.

Article 12 – Obligations of the Ministry towards the Country of Origin

1- The Ministry shall respond to the subsequent verification requests received by the competent entity at the country of import concerning the preferential certificates of origin issued for the national Products.

2- The Ministry shall settle the disputes that may arise with the importing or exporting States concerning the application of the Rules of Origin or other related cases.

3- The Ministry shall cooperate and coordinate with the competent entity at the country of import to better implement the Rules of Origin and shall provide it with the forms of seals used in the preferential certificates of origin.

Chapter 5

Objection, Grievance and Appeal

Article 13

1- Those who were rejected by the Department to be granted preferential Certificate of Origin, may object to the Director of the Department within (7) seven working days from the date of notification thereof. Their objection shall be settled within a period not exceeding (10) ten working days from the date of submittal of the request. In case of rejection of the request, it shall be notified to the concerned person in writing and shall be justified.

2- Those whose objection was rejected or whose request was left unanswered may file a grievance to the Minister within (10) ten working days from the date of rejection of the request. Their grievance shall be settled within a period not exceeding (20) twenty working days from the date of filing thereof. In case of rejection of the request, it shall be notified to the concerned person in writing and shall be justified.

3- Those whose grievance was rejected by the Minister may appeal before the competent Courts at the State according to the said Code of Civil Procedure.

Chapter 6

Penal and Administrative Sanctions

Article 14- Penal Sanctions

Without prejudice to any other more severe sanction stipulated in any other Law, whoever forges the data of the Commodities imported into the State or exported outside the State or whoever provides misleading information with the intention of fraud in the Certificate of Origin or the Indication of Origin, shall be punished by temporary imprisonment and/or a fine not less than AED (100,000) one hundred thousand and not exceeding AED (500,000) five hundred thousand.

The sanction shall be doubled in case of recidivism.

Article 15- Administrative Sanctions

The Minister or his representative may impose on the exporter, whether a physical or moral person, upon violating any of the provisions set forth in this Law and its Implementing Regulation and the decisions issued in implementation thereof, any of the following administrative sanctions:

1-Warning.

2- Temporary suspension of granting the preferential or non-preferential Certificate of Origin for a period not exceeding one year.

3- Permanent suspension of granting the preferential or non-preferential Certificate of Origin.

Chapter 7

Final Provisions

Article 16- Judicial Officers

The Ministry's employees specified by a decision from the Minister of Justice, under agreement with the Minister, shall have the capacity of judicial officers in proving what occurs in violation to the provisions of this Law and the decisions issued in implementation thereof, within the jurisdiction of each.

Article 17- Fees

The Cabinet shall issue, upon the suggestion of the Minister of Finance, a decision specifying the fees of the preferential and non-preferential certificates of origin issued by the Ministry.

Article 18- Implementing Regulation

The Cabinet shall, upon the Minister's suggestion, issue the Implementing Regulation of this Law within six months from the date of issuance thereof.

Article 19- Abrogation

1- The Federal Law no. (6) of 1983 on the determination of fees imposed on the certificates of origin of the national Products of the United Arab Emirates and its implementing decisions shall be abrogated, provided that it remains applicable along with its implementing decisions until issuance of the Cabinet decision referred to in Article (17) of this Law.

2- Any provision contrary to or inconsistent with the provisions of this Law shall be abrogated.

Article 20- Publication and Entry into Force

This Law shall be published in the Official Gazette and shall enter into effect one month after the date of publication thereof.

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:Palace in Abu Dhabi

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Corresponding to: 19 December 2019

Khalifa bin Zayed Al Nahyan
President of the United Arab Emirates State

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