Consolidated version, meant purely as a documentation tool. The Union's institutions do not assume any liability for its contents.

# ►B COMMISSION DELEGATED REGULATION (EU) 2015/2446

of 28 July 2015

supplementing Regulation (EU) No 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code

(OJ L 343 29.12.2015, p. 1)

Amended by:

| | Official Journal | | |
|---|---|---|---|
| | No | page | date |
| ►M1 COMMISSION DELEGATED REGULATION (EU) 2016/341 of 17 December 2015 | L 69 | 1 | 15.3.2016 |
| ►M2 COMMISSION DELEGATED REGULATION (EU) 2016/651 of 5 April 2016 | L 111 | 1 | 27.4.2016 |
| ►M3 COMMISSION DELEGATED REGULATION (EU) 2018/1063 of 16 May 2018 | L 192 | 1 | 30.7.2018 |
| ►M4 COMMISSION DELEGATED REGULATION (EU) 2018/1118 of 7 June 2018 | L 204 | 11 | 13.8.2018 |

Corrected by:

►C1 Corrigendum, OJ L 087, 2.4.2016, p. 35 (2015/2446)

---

/../

Preferential origin

Article 37

Definitions

For the purposes of this Section, the following definitions shall apply:

(1) 'beneficiary country' means a beneficiary country of the generalised system of preferences (GSP) listed in Annex II to Regulation (EC) No 978/2012 of the European Parliament and of the Council ( 6 );

(2) 'manufacture' means any kind of working or processing including assembly;

(3) 'material' means any ingredient, raw material, component or part, etc., used in the manufacture of the product;

(4) 'product' means the product being manufactured, even if it is intended for later use in another manufacturing operation;

(5) 'goods' means both materials and products;

(6) 'bilateral cumulation' means a system that allows products which originate in the Union, to be considered as materials originating in a beneficiary country when they are further processed or incorporated into a product in that beneficiary country;

(7) 'cumulation with Norway, Switzerland or Turkey' means a system that allows products which originate in Norway, Switzerland or Turkey to be considered as originating materials in a beneficiary country when they are further processed or incorporated into a product in that beneficiary country and imported into the Union;

(8) 'regional cumulation' means a system whereby products which according to this Regulation originate in a country which is a member of a regional group are considered as materials originating in another country of the same regional group (or a country of another regional group where cumulation between groups is possible) when further processed or incorporated in a product manufactured there;

(9) 'extended cumulation' means a system, conditional upon the granting by the Commission, on a request lodged by a beneficiary country and whereby certain materials, originating in a country with which the Union has a free-trade agreement in accordance with Article XXIV of the General Agreement on Tariffs and Trade (GATT) in force, are considered to be materials originating in the beneficiary country concerned when further processed or incorporated in a product manufactured in that country;

(10) 'fungible materials' means materials that are of the same kind and commercial quality, with the same technical and physical characteristics, and which cannot be distinguished from one another once they are incorporated into the finished product;

(11) 'regional group' means a group of countries between which regional cumulation applies;

(12) 'customs value' means the value as determined in accordance with the 1994 Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (WTO Agreement on Customs Valuation);

(13) '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 country of production; where the value of the originating materials used needs to be established, this point should be applied mutatis mutandis;

(14) '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 that the price includes the value of all the materials used and all other costs related to its production, minus any internal taxes which are, or may be, repaid when the product obtained is exported.

Where the actual price paid does not reflect all costs related to the manufacturing of the product which are actually incurred in the country of production, the ex-works price means the sum of all those costs, minus any internal taxes which are, or may be, repaid when the product obtained is exported;

Where the last working or processing has been subcontracted to a manufacturer, the term ‘manufacturer’ referred to in the first sub-paragraph may refer to the enterprise that has employed the subcontractor.

(15) 'maximum content of non-originating materials' means the maximum content of non-originating materials which is permitted in order to consider a manufacture as working or processing sufficient to confer originating status on the product. It may be expressed as a percentage of the ex-works price of the product or as a percentage of the net weight of these materials used falling under a specified group of chapters, chapter, heading or sub-heading;

(16) 'net weight' means the weight of the goods themselves without packing materials and packing containers of any kind;

(17) 'chapters', 'headings' and ‘sub-headings’ mean the chapters, the headings and sub-headings (four- or six-digit codes) used in the nomenclature which makes up the Harmonized System with the changes pursuant to the recommendation of 26 June 2004 of the Customs Cooperation Council;

(18) 'classified' refers to the classification of a product or material under a particular heading or sub-heading of the Harmonized System;

(19) 'consignment' means products which are either:

(a) sent simultaneously from one exporter to one consignee; or

(b) covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such document, by a single invoice

(20) 'exporter' means a person exporting the goods to the Union or to a beneficiary country who is able to prove the origin of the goods, whether or not he is the manufacturer and whether or not he himself carries out the export formalities;

(21) ‘registered exporter’ means:

(a) an exporter who is established in a beneficiary country and is registered with the competent authorities of that beneficiary country for the purpose of exporting products under the scheme, be it to the Union or another beneficiary country with which regional cumulation is possible; or

▼M3

(b) an exporter who is established in a Member State and is registered with the customs authorities of that Member State for the purpose of exporting products originating in the Union to a country or territory with which the Union has a preferential trade arrangement; or

(c) a re-consignor of goods who is established in a Member State and is registered with the customs authorities of that Member State for the purpose of making out replacement statements on origin in order to re-consign originating products elsewhere within the customs territory of the Union or, where applicable, to Norway or Switzerland (‘a registered re-consignor’);

▼B

(22) 'statement on origin' means a statement made out by the exporter or the re-consignor of the goods indicating that the products covered by it comply with the rules of origin of the scheme.

/../

**Definition of the concept of originating products applicable within the framework of the GSP of the Union**

Article 41

General principles

(Article 64(3) of the Code)

The following products shall be considered as originating in a beneficiary country:

(a) products wholly obtained in that country within the meaning of Article 44;

(b) products obtained in that country incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing within the meaning of Article 45.

Article 42

Principle of territoriality (Article 64(3) of the Code)

1. The conditions set out in this Subsection for acquiring originating status shall be fulfilled in the beneficiary country concerned.

2. The term 'beneficiary country' shall cover and cannot exceed the limits of the territorial sea of that country within the meaning of the United Nations Convention on the Law of the Sea (Montego Bay Convention, 10 December 1982).

3. If originating products exported from the beneficiary country to another country are returned, they shall be considered as non-originating unless it can be demonstrated to the satisfaction of the competent authorities that the following conditions are fulfilled:

(a) the products returned are the same as those which were exported, and

(b) they have not undergone any operations beyond that necessary to preserve them in good condition while in that country or while being exported.

Article 43

Non-manipulation

(Article 64(3) of the Code)

1. The products declared for release for free circulation in the Union shall be the same products as exported from the beneficiary country in which they are considered to originate. They shall not have been altered, transformed in any way or subjected to operations other than operations to preserve them in good condition or the adding or affixing of marks, labels,

seals or any other documentation to ensure compliance with specific domestic requirements applicable in the Union, prior to being declared for release for free circulation.

2. The products imported into a beneficiary country for the purpose of cumulation under Articles 53, 54, 55 or 56 shall be the same products as exported from the country in which they are considered to originate. They shall not have been altered, transformed in any way or subjected to operations other than operations to preserve them in good condition, prior to being declared for the relevant customs procedure in the country of imports.

3. Storage of products may take place provided they remain under customs supervision in the country or countries of transit.

4. The splitting of consignments may take place where carried out by the exporter or under his responsibility, provided that the goods concerned remain under customs supervision in the country or countries of transit.

5. Paragraphs 1 to 4 shall be considered to be complied with unless the customs authorities have reason to believe the contrary; in such cases, the customs authorities may request the declarant to provide evidence of compliance, which may be given by any means, including contractual transport documents such as bills of lading or factual or concrete evidence based on marking or numbering of packages or any evidence related to the goods themselves.

Article 44

Wholly obtained products

(Article 64(3) of the Code)

1. The following shall be considered as wholly obtained in a beneficiary country:

(a) mineral products extracted from its soil or from its seabed;

(b) plants and vegetable products grown or harvested there;

(c) live animals born and raised there;

(d) products from live animals raised there;

(e) products from slaughtered animals born and raised there;

(f) products obtained by hunting or fishing conducted there;

(g) products of aquaculture where the fish, crustaceans and molluscs are born and raised there;

(h) products of sea fishing and other products taken from the sea outside any territorial sea by its vessels;

(i) products made on board its factory ships exclusively from the products referred to in point (h);

(j) used articles collected there that are fit only for the recovery of raw materials;

(k) waste and scrap resulting from manufacturing operations conducted there;

(l) products extracted from the seabed or below the seabed which is situated outside any territorial sea but where it has exclusive exploitation rights;

(m) goods produced there exclusively from products specified in points (a) to (l).

2. The terms ‘its vessels’ and ‘its factory ships’ in paragraph 1(h) and (i) shall apply only to vessels and factory ships which meet each of the following requirements:

(a) they are registered in the beneficiary country or in a Member State;

(b) they sail under the flag of the beneficiary country or of a Member State;

(c) they meet one of the following conditions:

(i) they are at least 50 % owned by nationals of the beneficiary country or of Member States, or

(ii) they are owned by companies:

— which have their head office and their main place of business in the beneficiary country or in Member States, and

— which are at least 50 % owned by the beneficiary country or Member States or public entities or nationals of the beneficiary country or Member States.

3. The conditions of paragraph 2 may each be fulfilled in Member States or in different beneficiary countries insofar as all the beneficiary countries involved benefit from regional cumulation in accordance with Article 55(1) and (5). In this case, the products shall be deemed to have the origin of the beneficiary country under which flag the vessel or factory ship sails in accordance with point (b) of paragraph 2.

The first sub-paragraph shall apply only provided that the conditions laid down in Article 55(2)(a), (c) and (d) have been fulfilled.

Article 45

Sufficiently worked or processed products

(Article 64(3) of the Code)

1. Without prejudice to Articles 47 and 48, products which are not wholly obtained in the beneficiary country concerned within the meaning of Article 44 shall be considered to originate there, provided that the conditions laid down in the list in Annex 22-03 for the goods concerned are fulfilled.

2. If a product which has acquired originating status in a country in accordance with paragraph 1 is further processed in that country and used as a material in the manufacture of another product, no account shall be taken of the non-originating materials which may have been used in its manufacture.

Article 46

Averages

(Article 64(3) of the Code)

1. The determination of whether the requirements of Article 45(1) are met, shall be carried out for each product.

However, where the relevant rule is based on compliance with a maximum content of non-originating materials, in order to take into account fluctuations in costs and currency rates, the value of the non-originating materials may be calculated on an average basis as set out in paragraph 2.

2. In the case referred to in the second sub-paragraph of paragraph 1, an average ex-works price of the product and average value of non-originating materials used shall be calculated respectively on the basis of the sum of the ex-works prices charged for all sales of the products carried out during the preceding fiscal year and the sum of the value of all the non-originating materials used in the manufacture of the products over the preceding fiscal year as defined in the country of export, or, where figures for a complete fiscal year are not available, a shorter period which should not be less than three months.

3. Exporters having opted for calculations on an average basis shall consistently apply such a method during the year following the fiscal year of reference, or, where appropriate, during the year following the shorter period used as a reference. They may cease to apply such a method where during a given fiscal year, or a shorter representative period of no less than three months, they record that the fluctuations in costs or currency rates which justified the use of such a method have ceased.

4. The averages referred to in paragraph 2 shall be used as the ex-works price and the value of non-originating materials respectively, for the purpose of establishing compliance with the maximum content of non-originating materials.

Article 47

Insufficient working or processing

(Article 64(3) of the Code)

1. Without prejudice to paragraph 3, the following operations shall be considered as insufficient working or processing to confer the status of originating products, whether or not the requirements of Article 45 are satisfied:

(a) preserving operations to ensure that the products remain in good condition during transport and storage;

(b) breaking-up and assembly of packages;

(c) washing, cleaning; removal of dust, oxide, oil, paint or other coverings;

(d) ironing or pressing of textiles and textile articles;

(e) simple painting and polishing operations;

(f) husking and partial or total milling of rice; polishing and glazing of cereals and rice;

(g) operations to colour or flavour sugar or form sugar lumps; partial or total milling of crystal sugar;

(h) peeling, stoning and shelling, of fruits, nuts and vegetables;

(i) sharpening, simple grinding or simple cutting;

(j) sifting, screening, sorting, classifying, grading, matching (including the making-up of sets of articles);

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

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

(m) simple mixing of products, whether or not of different kinds; mixing of sugar with any material;

(n) simple addition of water or dilution or dehydration or denaturation of products;

(o) simple assembly of parts of articles to constitute a complete article or disassembly of products into parts;

(p) slaughter of animals ;

(q) a combination of two or more of the operations specified in points (a) to (p).

2. For the purposes of paragraph 1, operations shall be considered simple when neither special skills nor machines, apparatus or tools especially produced or installed for those operations are required for their performance.

3. All the operations carried out in a beneficiary country on a given product shall be taken into account when determining whether the working or processing undergone by that product is to be regarded as insufficient within the meaning of paragraph 1.

Article 48

General tolerance

(Article 64(3) of the Code)

1. By way of derogation from Article 45 and subject to paragraphs 2 and 3 of this Article, non-originating materials which, according to the conditions set out in the list in Annex 22-03 are not to be used in the manufacture of a given product may nevertheless be used, provided that their total value or net weight assessed for the product does not exceed:

(a) 15 % of the weight of the product for products falling within Chapters 2 and 4 to 24 of the Harmonized System, other than processed fishery products of Chapter 16;

(b) 15 % of the ex-works price of the product for other products, except for products falling within Chapters 50 to 63 of the Harmonized System, for which the tolerances mentioned in Notes 6 and 7 of Part I of Annex 22-03, shall apply.

2. Paragraph 1 shall not allow to exceed any of the percentages for the maximum content of non-originating materials as specified in the rules laid down in the list in Annex 22-03.

3. Paragraphs 1 and 2 shall not apply to products wholly obtained in a beneficiary country within the meaning of Article 44. However, without prejudice to Articles 47 and 49(2), the tolerance provided for in those paragraphs shall nevertheless apply to the sum of all the materials which are used in the manufacture of a product and for which the rule laid down in the list in Annex 22-03 for that product requires that such materials be wholly obtained.

Article 49 Unit of qualification

(Article 64(3) of the Code)

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

2. When a consignment consists of a number of identical products classified under the same heading of the Harmonized System, each individual item shall be taken into account when applying the provisions of this Subsection.

3. Where, under General Interpretative 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 50

Accessories, spare parts and tools

(Article 64(3) of the Code)

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 ex-works price thereof, shall be regarded as one with the piece of equipment, machine, apparatus or vehicle in question.

Article 51

Sets

(Article 64(3) of the Code)

Sets, as defined in General Interpretative rule 3(b) of the Harmonized System, shall be regarded as originating when all the component products are originating products.

When a set is composed of originating and non-originating products, the set as a whole shall however be regarded as originating, provided that the value of the non-originating products does not exceed 15 % of the ex-works price of the set.

Article 52

Neutral elements

(Article 64(3) of the Code)

In order to determine whether a product is an originating product, no account shall be taken of the origin of the following which might be used in its manufacture:

(a) energy and fuel;

(b) plant and equipment;

(c) machines and tools;

(d) any other goods which do not enter, and which are not intended to enter, into the final composition of the product.

Subsection 3

Rules on cumulation and management of stocks of materials applicable within the framework of the GSP of the Union

Article 53

Bilateral cumulation

(Article 64(3) of the Code)

Bilateral cumulation shall allow products originating in the Union to be considered as materials originating in a beneficiary country when incorporated into a product manufactured in that country, provided that the working or processing carried out there goes beyond the operations described in Article 47(1).

▼M3

Articles 41 to 52 of this Regulation and Article 108 of Implementing Regulation (EU) 2015/2447 shall apply mutatis mutandis to exports from the Union to a beneficiary country for the purposes of bilateral cumulation.

▼B

Article 54

Cumulation with Norway, Switzerland or Turkey

(Article 64(3) of the Code)

1. Cumulation with Norway, Switzerland or Turkey shall allow products originating in these countries to be considered as materials originating in a beneficiary country provided that the working or processing carried out there goes beyond the operations described in Article 47(1).

2. Cumulation with Norway, Switzerland or Turkey shall not apply to products falling within Chapters 1 to 24 of the Harmonized System.

Article 55

Regional cumulation (Article 64(3) of the Code)

1. Regional cumulation shall apply to the following four separate regional groups:

(a) group I: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar/Burma, Philippines, Thailand, Vietnam;

(b) group II: Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Peru, Venezuela;

(c) group III: Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka;

(d) group IV: Argentina, Brazil, Paraguay and Uruguay.

2. Regional cumulation between countries within the same group shall apply only where the following conditions are fulfilled:

(a) the countries involved in the cumulation are, at the time of exportation of the product to the Union, beneficiary countries for which the preferential arrangements have not been temporarily withdrawn in accordance with Regulation (EU) No 978/2012;

(b) for the purpose of regional cumulation between the countries of a regional group the rules of origin laid down in Subsection 2 apply;

(c) the countries of the regional group have undertaken:

(i) to comply or ensure compliance with this subsection, and

(ii) to provide the administrative cooperation necessary to ensure the correct implementation of this subsection both with regard to the Union and between themselves;

(d) the undertakings referred to in point (c) have been notified to the Commission by the Secretariat of the regional group concerned or another competent joint body representing all the members of the group in question.

For the purposes of point (b), where the qualifying operation laid down in Part II of Annex 22-03 is not the same for all countries involved in cumulation, the origin of products exported from one country to another country of the regional group for the purpose of regional cumulation shall be determined on the basis of the rule which would apply if the products were being exported to the Union.

Where countries in a regional group have already complied with points (c) and (d) of the first subparagraph before 1 January 2011, a new undertaking shall not be required.

3. The materials listed in Annex 22-04 shall be excluded from the regional cumulation provided for in paragraph 2 in the case where:

(a) the tariff preference applicable in the Union is not the same for all the countries involved in the cumulation; and

(b) the materials concerned would benefit, through cumulation, from a tariff treatment more favourable than the one they would benefit from if directly exported to the Union.

▼M3

4. Regional cumulation between beneficiary countries in the same regional group shall apply only under the condition that the working or processing carried out in the beneficiary country where the materials are further processed or incorporated goes beyond the operations described in Article 47(1) and, in the case of textile products, also beyond the operations set out in Annex 22-05.

Where the condition laid down in the first subparagraph is not fulfilled, the country to be stated as country of origin on the proof of origin issued or made out for the purposes of exporting the products to the Union shall be the country of the regional group where the highest share of the value of the materials used in the manufacture of the final product originates.

▼B

5. At the request of the authorities of a Group I or Group III beneficiary country, regional cumulation between countries of those groups may be granted by the Commission, provided that the Commission is satisfied that each of the following conditions is met:

(a) the conditions laid down in paragraph 2(a) and (b) are met; and

(b) the countries to be involved in such regional cumulation have undertaken and jointly notified to the Commission their undertaking:

(i) to comply or ensure compliance with this Subsection, Subsection 2 and all other provisions concerning the implementation of the rules of origin; and

(ii) to provide the administrative cooperation necessary to ensure the correct implementation of this Subsection and Subsection 2 both with regard to the Union and between themselves.

The request referred to in the first sub-paragraph shall be supported with evidence that the conditions laid down in that sub-paragraph are met. It shall be addressed to the Commission. The Commission will decide on the request taking into account all the elements related to the cumulation deemed relevant, including the materials to be cumulated.

▼M3

6. When granted, regional cumulation between beneficiary countries of Group I or Group III shall allow materials originating in a country of one regional group to be considered as materials originating in a country of the other regional group when incorporated in a product obtained there, provided that the working or processing carried out in the latter beneficiary country goes beyond the operations described in Article 47(1) and, in the case of textile products, also beyond the operations set out in Annex 22-05.

Where the condition laid down in the first subparagraph is not fulfilled, the country to be stated as country of origin on the proof of origin for the purposes of exporting the products to the Union shall be the country participating in the cumulation where the highest share of the value of the materials used in the manufacture of the final product originates.

▼B

7. The Commission will publish in the Official Journal of the European Union (C series) the date on which the cumulation between countries of Group I and Group III provided for in paragraph 5 takes effect, the countries involved in that cumulation and, where appropriate, the list of materials in relation to which the cumulation applies.

▼M3

8. Articles 41 to 52 of this Regulation and Articles 108 to 111 of Implementing Regulation (EU) 2015/2447 shall apply mutatis mutandis to exports from one beneficiary country to another for the purposes of regional cumulation.

▼B

Article 56

Extended cumulation

(Article 64(3) of the Code)

1. At the request of any beneficiary country's authorities, extended cumulation between a beneficiary country and a country with which the Union has a free-trade agreement in accordance with Article XXIV of the General Agreement on Tariffs and Trade (GATT) in force, may be granted by the Commission, provided that each of the following conditions is met:

(a) the countries involved in the cumulation have undertaken to comply or ensure compliance with this Subsection, Subsection 2 and all other provisions concerning the implementation of the rules of origin, and to provide the administrative co-operation necessary to ensure the correct implementation of this subsection and Subsection 2 both with regard to the Union and also between themselves;

(b) the undertaking referred to in point (a) has been notified to the Commission by the beneficiary country concerned.

The request referred to in the first sub-paragraph shall contain a list of the materials concerned by the cumulation and shall be supported with evidence that the conditions laid down in points (a) and (b) of the first sub-paragraph are met. It shall be addressed to the Commission. Where the materials concerned change, another request shall be submitted.

Materials falling within Chapters 1 to 24 of the Harmonized System shall be excluded from extended cumulation.

2. In cases of extended cumulation referred to in paragraph 1, the origin of the materials used and the documentary proof of origin applicable shall be determined in accordance with the rules laid down in the relevant free-trade agreement. The origin of the products to be exported to the Union shall be determined in accordance with the rules of origin laid down in Subsection 2.

In order for the obtained product to acquire originating status, it shall not be necessary that the materials originating in a country with which the Union has a free-trade agreement and used in a beneficiary country in the manufacture of the product to be exported to the Union have undergone sufficient working or processing, provided that the working or processing

carried out in the beneficiary country concerned goes beyond the operations described in Article 47(1).

3. The Commission will publish in the Official Journal of the European Union (C series) the date on which the extended cumulation takes effect, the countries involved in that cumulation and the list of materials in relation to which the cumulation applies.

Article 57

Application of bilateral cumulation or cumulation with Norway, Switzerland or Turkey in combination with regional cumulation

(Article 64(3) of the Code)

Where bilateral cumulation or cumulation with Norway, Switzerland or Turkey is used in combination with regional cumulation, the product obtained shall acquire the origin of one of the countries of the regional group concerned, determined in accordance with the first and the second sub-paragraphs of Article 55(4) or, where appropriate, with the first and the second sub-paragraphs of Article 55(6).

Article 58

Accounting segregation of Union exporters' stocks of materials

(Article 64(3) of the Code)

1. If originating and non-originating fungible materials are used in the working or processing of a product, the customs authorities of the Member States may, at the written request of economic operators established in the customs territory of the Union, authorise the management of materials in the Union using the accounting segregation method for the purpose of subsequent export to a beneficiary country within the framework of bilateral cumulation, without keeping the materials on separate stocks.

2. The customs authorities of the Member States may make the granting of authorisation referred to in paragraph 1 subject to any conditions they deem appropriate.

The authorisation shall be granted only if by use of the method referred to in paragraph 1 it can be ensured that, at any time, the quantity of products obtained which could be considered as 'originating in the Union' is the same as the number that would have been obtained by using a method of physical segregation of the stocks.

If authorised, the method shall be applied and the application thereof shall be recorded on the basis of the general accounting principles applicable in the Union.

3. The beneficiary of the method referred to in paragraph 1 shall make out or, until the application of the registered exporter system, apply for proofs of origin for the quantity of products which may be considered as originating in the Union. At the request of the customs authorities of the Member States, the beneficiary shall provide a statement of how the quantities have been managed.

4. The customs authorities of the Member States shall monitor the use made of the authorisation referred to in paragraph 1.

They may withdraw the authorisation in the following cases:

(a) the holder makes improper use of the authorisation in any manner whatsoever, or

(b) the holder fails to fulfil any of the other conditions laid down in this subsection, Subsection 2 and all other provisions concerning the implementation of the rules of origin.