

*Poiedynok V.,  
Doctor of Law Sciences,  
Associate Professor,  
Taras Shevchenko National University of Kyiv*

## **RULES OF ORIGIN OF GOODS AS AN ELEMENT OF THE TARIFF REGULATION OF FOREIGN ECONOMIC ACTIVITY**

Rules of origin of goods are the criteria needed to determine the national source of a product. Their importance is derived from the fact that duties and restrictions in several cases depend upon the source of import. In fact, misuse of rules of origin may transform them into a trade policy instrument instead of just acting as an instrument to support a trade policy.

When a product is wholly manufactured and produced in a single country, it is relatively easy to determine its origin. Difficulties in determining the origin of a product arise when it is manufactured and assembled in different countries, or uses materials originating in more than one country. At least, there are four different methods or criteria for determining the origin of these goods:

1. Using the concept of substantial transformation as a rule;
2. Using an ad valorem percentage test;
3. Listing specific manufacturing or processing operations which determine or do not determine origin of the goods; and
4. Requiring a specified change in tariff classification.

Whichever method is employed to determine origin, each seeks to prevent simple assembly and packaging operations from determining the good's origin. The article evaluates the different methods according to their effectiveness in determining the origin and in preventing circumvention, their clarity, their certainty, their transparency and the predictability or consistency of origin determinations which the method employs.