COUNCIL DECISION

of 23 June 2014

on the position to be adopted by the European Union within the Joint Committee established by the Agreement between the European Economic Community and the Kingdom of Norway of 14 May 1973, as regards the replacement of Protocol 3 to that Agreement, concerning the definition of the concept of 'originating products' and methods of administrative cooperation, by a new Protocol which, as regards the rules of origin, refers to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin

(2014/421/EU)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4) in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) Protocol No 3 to the Agreement between the European Economic Community and the Kingdom of Norway ([1]) ('the Agreement'), concerns the definition of the concept of 'originating products' and methods of administrative cooperation ('Protocol 3').

(2) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin ([2]) ('the Convention'), lays down provisions on the origin of goods traded under relevant Agreements concluded between the Contracting Parties.

(3) The Union and Norway signed the Convention on 15 June 2011.

(4) The Union and Norway deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 9 November 2011, respectively. As a consequence, in application of its Article 10(3), the Convention entered into force in relation to the Union and Norway on 1 May 2012 and 1 January 2012, respectively.

(5) Article 6 of the Convention provides that each Contracting Party is to take appropriate measures to ensure that the Convention is effectively applied. To that effect, the Joint Committee established by the Agreement should adopt a decision replacing Protocol 3 by a new Protocol which, with regard to the rules of origin, refers to the Convention.

(6) The position of the Union within the Joint Committee should therefore be based on the attached draft decision,

HAS ADOPTED THIS DECISION:

Article 1

The position to be adopted on behalf of the European Union within the Joint Committee established by the Agreement between the European Economic Community and the Kingdom of Norway, as regards the replacement of Protocol 3 to that Agreement, concerning the definition of the concept of 'originating products' and methods of administrative cooperation, by a new Protocol which, as regards the rules of origin, refers to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin, shall be based on the draft decision of the Joint Committee attached to this Decision.

Minor changes to the draft decision may be agreed to by the representatives of the Union in the Joint Committee without further decision of the Council.

([1]) OJ L 171, 27.6.1973, p. 2.
([2]) OJ L 54, 26.2.2013, p. 4.

Article 2

The decision of the Joint Committee shall be published in the *Official Journal of the European Union*.

Article 3

This Decision shall enter into force on the date of its adoption.

Done at Luxembourg, 23 June 2014.

For the Council
The President
C. ASHTON

DRAFT

DECISION OF THE EU-NORWAY JOINT COMMITTEE No

of

amending Protocol 3 to the Agreement between the European Economic Community and the Kingdom of Norway concerning the definition of the concept of 'originating products' and methods of administrative cooperation

THE JOINT COMMITTEE,

Having regard to the Agreement between the European Economic Community and the Kingdom of Norway, signed in Brussels on 14 May 1973 ([1]) ('the Agreement'), and in particular its Article 11,

Having regard to Protocol 3 to the Agreement concerning the definition of the concept of 'originating products' and methods of administrative cooperation ([2]) ('Protocol 3'),

Whereas:

(1) Article 11 of the Agreement refers to Protocol 3 which lays down the rules of origin and provides for cumulation of origin between the EU, Norway, Switzerland (including Liechtenstein), Iceland, Turkey, the Faroe Islands and the participants in the Barcelona Process ([3]).

(2) Article 39 of Protocol 3 provides that the Joint Committee provided for in Article 29 of the Agreement may decide to amend the provisions of this protocol.

(3) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin ([4]) ('the Convention'), aims to replace the protocols on rules of origin currently in force among the countries of the pan-Euro-Mediterranean area with a single legal act.

(4) The EU and Norway signed the Convention on 15 June 2011.

(5) The EU and Norway deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 9 November 2011, respectively. Consequently, in application of its Article 10(3), the Convention entered into force in relation to the EU and Norway on 1 May 2012 and 1 January 2012, respectively.

(6) The Convention has included the participants in the Stabilisation and Association Process in the pan-Euro-Mediterranean zone of cumulation of origin.

(7) Where the transition towards the Convention is not simultaneous for all Contracting Parties within the cumulation zone, it should not lead to any less favourable situation than previously under the Protocol.

(8) Protocol 3 to the Agreement should therefore be amended so as to make reference to the Convention,

HAS ADOPTED THIS DECISION:

Article 1

Protocol 3 to the Agreement, concerning the definition of the concept of 'originating products' and methods of administrative cooperation shall be replaced by the text set out in the Annex to this Decision.

([1]) OJ L 171, 27.6.1973, p. 2.
([2]) OJ L 117, 2.5.2006, p. 2.
([3]) Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine, Syria and Tunisia.
([4]) OJ L 54, 26.2.2013, p. 4.

Article 2

This Decision shall enter into force on the date of its adoption.

It shall apply from 1 September 2014.

Done at

For the Joint Committee
The President
…

ANNEX

Protocol 3

concerning the definition of the concept of 'originating products' and methods of administrative cooperation

Article 1

Applicable rules of origin

For the purpose of implementing this Agreement, Appendix I and the relevant provisions of Appendix II to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin [1] ('the Convention') shall apply.

All references to the 'relevant agreement' in Appendix I and in the relevant provisions of Appendix II to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin shall be construed so as to mean this Agreement.

Article 2

Dispute settlement

Where disputes arise in relation to the verification procedures of Article 32 of Appendix I to the Convention that cannot be settled between the customs authorities requesting the verification and the customs authorities responsible for carrying out this verification, they shall be submitted to the Joint Committee.

In all cases the settlement of disputes between the importer and the customs authorities of the importing country shall take place under the legislation of that country.

Article 3

Amendments to the Protocol

The Joint Committee may decide to amend the provisions of this Protocol.

Article 4

Withdrawal from the Convention

1. Should either the EU or Norway give notice in writing to the depositary of the Convention of their intention to withdraw from the Convention according to its Article 9, the EU and Norway shall immediately enter into negotiations on rules of origin for the purpose of implementing this Agreement.

2. Until the entry into force of such newly negotiated rules of origin, the rules of origin contained in Appendix I and, where appropriate, the relevant provisions of Appendix II to the Convention, applicable at the moment of withdrawal, shall continue to apply to this Agreement. However, as of the moment of withdrawal, the rules of origin contained in Appendix I and, where appropriate, the relevant provisions of Appendix II to the Convention shall be construed so as to allow bilateral cumulation between the EU and Norway only.

Article 5

Transitional provisions — cumulation

1. Notwithstanding Article 3 of Appendix I to the Convention, the rules on cumulation provided for in Articles 3 and 4 of Protocol 3 to the Agreement, as amended by Decision No 1/2005 of the EU-Norway Joint Committee of 20 December 2005 [2], shall continue to apply between the EU and Norway until the Convention has entered into application in relation to all Contracting Parties listed in Articles 3 and 4 of Protocol 3 to the Agreement.

[1] OJ L 54, 26.2.2013, p. 4.
[2] OJ L 117, 2.5.2006, p. 2.

2. Notwithstanding Articles 16(5) and 21(3) of Appendix I of the Convention, where cumulation involves only EFTA States, the Faroe Islands, the EU, Turkey and the participants in the Stabilisation and Association Process, the proof of origin may be a movement certificate EUR.1 or an origin declaration.