DECISIONS

COUNCIL DECISION (EU) 2015/765

of 7 May 2015

on the position to be adopted on behalf of the European Union within the Joint Committee established by the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part, 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

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 3 to the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part ([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 the Kingdom of Denmark in respect of the Faroe Islands signed the Convention on 15 June 2011.

(4) The Union and the Kingdom of Denmark in respect of the Faroe Islands deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 9 September 2013 respectively. Consequently, in application of Article 10(3) of the Convention, the Convention entered into force in relation to the Union and the Faroe Islands on 1 May 2012 and on 1 November 2013 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 Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part, 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.

([1]) OJ L 53, 22.2.1997, p. 2.
([2]) OJ L 54, 26.2.2013, p. 4.

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

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 Brussels, 7 May 2015.

For the Council
The President
E. RINKĒVIČS

DRAFT

DECISION No … OF THE EU/DENMARK-FAROE ISLANDS JOINT COMMITTEE

of

replacing Protocol 3 to the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part, concerning the definition of the concept of 'originating products' and methods of administrative cooperation

THE EU/DENMARK-FAROE ISLANDS JOINT COMMITTEE,

Having regard to the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part ([1]), and in particular Article 11 thereof,

Having regard to Protocol 3 to the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part, concerning the definition of the concept of 'originating products' and methods of administrative cooperation,

Whereas:

(1) Article 11 of the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part ('the Agreement') refers to Protocol 3 to the Agreement ('Protocol 3') which lays down the rules of origin and provides for cumulation of origin between the European Union, the Faroe Islands and other Contracting Parties to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin ([2]) ('the Convention').

(2) Article 39 of Protocol 3 provides that the Joint Committee established by Article 31 of the Agreement may decide to amend the provisions of the Protocol.

(3) 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 European Union and the Kingdom of Denmark in respect of the Faroe Islands signed the Convention on 15 June 2011.

(5) The European Union and the Kingdom of Denmark in respect of the Faroe Islands deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 9 September 2013 respectively. Consequently, in application of Article 10(3) of the Convention, the Convention entered into force in relation to the European Union and the Faroe Islands on 1 May 2012 and on 1 November 2013 respectively.

(6) Protocol 3 should therefore be replaced by a new protocol making reference to the Convention.

HAS ADOPTED THIS DECISION:

Article 1

Protocol 3 to the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part, 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.

Article 2

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

It shall apply from …

Done at

For the Joint Committee

The President

([1]) OJ L 53, 22.2.1997, p. 2.
([2]) OJ L 54, 26.2.2013, p. 4.

ANNEX

Protocol 3

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

Article 1

Applicable rules of origin

1. 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.

2. All references to the 'relevant Agreement' in Appendix I and in the relevant provisions of Appendix II to the Convention shall be construed so as to mean this Agreement.

Article 2

Dispute settlement

1. 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 that verification, they shall be submitted to the Joint Committee.

2. 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 European Union or the Kingdom of Denmark in respect of the Faroe Islands give notice in writing to the depositary of the Convention of their intention to withdraw from the Convention according to Article 9 thereof, the European Union and the Kingdom of Denmark in respect of the Faroe Islands 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 European Union and the Faroe Islands only.

Article 5

Transitional provisions — cumulation

Notwithstanding Articles 16(5) and 21(3) of Appendix I to the Convention, where cumulation involves only EFTA States, the Faroe Islands, the European Union, 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.

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