



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 16 May 2014
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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	15 May 2014
To:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union

No. Cion doc.:	COM(2014) 275 final
Subject:	Proposal for a COUNCIL DECISION on the position to be taken by the European Union within the Joint Committee established by the Agreement between the European Economic Community and the Republic of Iceland of 22 July 1972, 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

Delegations will find attached document COM(2014) 275 final.

Encl.: COM(2014) 275 final



EUROPEAN
COMMISSION

Brussels, 15.5.2014
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Proposal for a

COUNCIL DECISION

on the position to be taken by the European Union within the Joint Committee established by the Agreement between the European Economic Community and the Republic of Iceland of 22 July 1972, 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

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

The Regional Convention on pan-Euro-Mediterranean preferential rules of origin¹ (hereafter 'the Convention') lays down provisions on the origin of goods traded under relevant Agreements concluded between the Contracting Parties. The EU and Iceland signed the Convention on 15 June 2011 and on 30 June 2011, respectively.

The EU and Iceland deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and on 12 March 2012, respectively. As a consequence, in application of its Article 10(3), the Convention entered into force in relation to both the EU and Iceland on 1 May 2012.

Article 6 of the Convention provides that each Contracting Party shall take appropriate measures to ensure that the Convention is effectively applied. To that effect, the Joint Committee established by the Agreement between the European Economic Community and the Republic of Iceland² should adopt a Decision replacing Protocol 3 concerning the definition of the concept of 'originating products' and methods of administrative cooperation by a new Protocol which, with regard to the rules of origin, refers to the Convention. The position to be taken by the EU within the Joint Committee should be established by the Council.

2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS

EU Member States were consulted on the draft Council Decision in the Customs Code Committee's Origin Section of 13 May 2013. The Contracting Parties to the Convention were consulted at the meeting of the Pan-Euro-Med working group of 14 and 15 May 2013.

No recourse to external expertise has been necessary. Furthermore, it has not been necessary to conduct an impact assessment, since the proposed amendments are technical in nature and do not affect the substance of the protocol on rules of origin currently in effect.

3. LEGAL ELEMENTS OF THE PROPOSAL

The legal basis for the Council Decision is the first subparagraph of Article 207(4) in conjunction with Article 218(9) of the Treaty on the Functioning of the European Union.

The proposal falls under the exclusive competence of the Union. The principle of subsidiarity does therefore not apply.

Proposed instrument: Council Decision.

¹ OJ L 54, 26.2.2013, p. 4.

² OJ L 301, 31.12.1972, p. 2.

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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 Economic Community and the Republic of Iceland¹, hereafter 'the Agreement', concerns the definition of the concept of 'originating products' and methods of administrative cooperation, hereafter 'Protocol 3'.
- (2) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin², hereafter 'the Convention', lays down provisions on the origin of goods traded under relevant Agreements concluded between the Contracting Parties.
- (3) The EU and Iceland signed the Convention on 15 June 2011 and 30 June 2011, respectively.
- (4) The EU and Iceland deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 12 March 2012, respectively. As a consequence, in application of its Article 10(3), the Convention entered into force in relation to both the EU and Iceland on 1 May 2012.
- (5) Article 6 of the Convention provides that each Contracting Party shall 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.

¹ OJ L 301, 31.12.1972, p. 2.

² OJ L 54, 26.2.2013, p. 4.

- (6) The European Union should therefore adopt the position set out in the attached draft Decision, within the Joint Committee,

HAS ADOPTED THIS DECISION:

Article 1

The position to be adopted by the European Union within the Joint Committee established by the Agreement between the European Economic Community and the Republic of Iceland, 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, is set out in the attached draft Decision of the Joint Committee.

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.

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 day of its adoption.

Done at Brussels,

*For the Council
The President*