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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	29 January 2015
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2015) 22 final
Subject:	Proposal for a COUNCIL DECISION on the position to be adopted on behalf of the European Union within the Interim Committee established by the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and Bosnia and Herzegovina, of the other part, as regards the replacement of Protocol 2 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(2015) 22 final.

Encl.: COM(2015) 22 final



EUROPEAN
COMMISSION

Brussels, 29.1.2015
COM(2015) 22 final

2015/0014 (NLE)

Proposal for a

COUNCIL DECISION

on the position to be adopted on behalf of the European Union within the Interim Committee established by the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and Bosnia and Herzegovina, of the other part, as regards the replacement of Protocol 2 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 ('the Convention') lays down provisions on the origin of goods traded under relevant Agreements concluded between the Contracting Parties. The EU and Bosnia and Herzegovina signed the Convention on 15 June 2011 and 24 September 2013 respectively.

The EU and Bosnia and Herzegovina deposited their instrument of acceptance with the depositary of the Convention on 26 March 2012 and 26 September 2014 respectively. As a consequence, in application of its Article 10(3), the Convention entered into force in relation to the EU and Bosnia and Herzegovina on 1 May 2012 and on 1 November 2014 respectively.

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 Interim Committee established by the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and Bosnia and Herzegovina, of the other part², should adopt a Decision replacing Protocol 2 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 Interim Committee should be established by the Council.

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

The EU Member States were informed on the draft Council Decision in the Customs Code Committee's Origin Section of 13 May 2013. The Contracting Parties to the Convention were last consulted at the meeting of the Pan-Euro-Med working group of 22 and 23 October 2014.

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 233, 30.8.2008, p. 6.

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on the position to be adopted on behalf of the European Union within the Interim Committee established by the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and Bosnia and Herzegovina, of the other part, as regards the replacement of Protocol 2 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 2 to the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and Bosnia and Herzegovina, of the other part¹ (‘the Agreement’), concerns the definition of the concept of ‘originating products’ and methods of administrative cooperation (‘Protocol 2’).
- (2) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin² (‘the Convention’) lays down provisions on the origin of goods traded under relevant agreements concluded between the Contracting Parties. Bosnia and Herzegovina and other participants to the Stabilisation and Association Process from the Western Balkans were invited to join the system of pan-European diagonal cumulation of origin in the Thessaloniki agenda, endorsed by the European Council of June 2003. They were invited to join the Convention by a decision of the Euro-Mediterranean Ministerial Conference of October 2007.
- (3) The Union and Bosnia and Herzegovina signed the Convention on 15 June 2011 and 24 September 2013 respectively.
- (4) The Union and Bosnia and Herzegovina deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 26 September 2014 respectively. Consequently, in application of Article 10(3) of the Convention, the Convention entered into force in relation to the Union and Bosnia and Herzegovina on 1 May 2012 and on 1 November 2014 respectively.

¹ OJ L 233, 30.8.2008, p. 6.

² OJ L 54, 26.2.2013, p. 4.

- (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 Interim Committee established by the Agreement should adopt a decision replacing Protocol 2 by a new protocol which, with regard to the rules of origin, refers to the Convention.
- (6) The position of the Union within the Interim 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 Interim Committee established by the Interim Agreement on trade and trade-related matters between the European Community, of the one part, and Bosnia and Herzegovina, of the other part, as regards the replacement of Protocol 2 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 Interim Committee attached to this Decision.

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

Article 2

The decision of the Interim 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,

For the Council
The President