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Brussels, 4 November 2024 (OR. en)

15150/24 ADD 1

Interinstitutional File: 2024/0283(NLE)

UD 247 EEE 56

PROPOSAL

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	31 October 2024
То:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2024) 505 final
Subject:	ANNEX to the Proposal for a Council Decision on the position to be taken on behalf of the European Union in the Joint Committee set up by the EEA Agreement, as regards the amendment of Protocol 4 thereto, on rules of origin

Delegations will find attached document COM(2024) 505 final.

Encl.: COM(2024) 505 final

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Brussels, 31.10.2024 COM(2024) 505 final

ANNEX

ANNEX

to the

Proposal for a Council Decision

on the position to be taken on behalf of the European Union in the Joint Committee set up by the EEA Agreement, as regards the amendment of Protocol 4 thereto, on rules of origin

DRAFT

DECISION OF THE EEA JOINT COMMITTEE

No [...]

of [...]

amending Protocol 4 to the EEA Agreement, on rules of origin

THE EEA JOINT COMMITTEE,

Having regard to the Agreement on the European Economic Area ('the EEA Agreement'), and in particular Articles 86 and 98 thereof,

Whereas:

- (1) Article 9 of the EEA Agreement refers to Protocol 4 to the EEA Agreement ('Protocol 4') which lays down the rules of origin.
- (2) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin¹ ('the Convention') aims to transpose the existing bilateral systems of rules of origin established in bilateral free trade agreements concluded among the Contracting Parties to the Convention into a multilateral framework, without prejudice to the principles laid down in those bilateral agreements.
- (3) The Union, Liechtenstein and Norway signed the PEM Convention on 15 June 2011 and Iceland signed the Convention on 30 June 2011.
- (4) The Union, Iceland, Liechtenstein and Norway, each deposited their instrument of acceptance with the depositary of the Convention on 26 March 2012, 12 March 2012, 28 November 2011 and 9 November 2011 respectively. Consequently, and in accordance with Article 10(3) of the Convention, the Convention entered into force on 1 May 2012 as regards the Union and Iceland and on 1 January 2012 as regards Liechtenstein and Norway.
- (5) Decision of the EEA Council No 1/95 of 10 March 1995 on the entry into force of the Agreement on the European Economic Area for the Principality of Liechtenstein² which lays down the rules for the application of Protocol 4 to the EEA Agreement to the Principality of Liechtenstein.
- (6) The Convention was amended by Decision No 1/2023 of the Joint Committee of the Regional Convention on pan-Euro-Mediterranean Preferential Rules of Origin of 7 December 2023³.
- (7) Article 6 of the Convention provides that each Contracting Party is to take appropriate measures to ensure that the Convention is effectively applied.

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OJ L 54, 26.2.2013, p. 4.

OJ L 86, 20.4.1995, p. 58.

³ OJ L, 2024/390, 19.2.2024, ELI: http://data.europa.eu/eli/dec/2024/390/oj

- (8) The provisions of Protocol 4 should therefore be amended to include a dynamic reference to the Convention, so as to always refer to the latest version of the Convention in force.
- (9) Protocol 4 should also contain specific provisions taking into account the distinctive features in the EEA agreement, such as EEA Origin.
- (10) Protocol 4 to the EEA Agreement should therefore be amended in order to allow for this extended cooperation to take place from 1 January 2025,

HAS ADOPTED THIS DECISION:

Article 1

The text of the main Articles and the Annexes to Protocol 4 to the EEA Agreement shall be replaced by the text as set out in the Annex to this Decision.

Article 2

For the purposes of the application of this Decision, proofs of origin may be issued retrospectively for exports performed between 1 January 2025 and the date of entry into force of this Decision.

Article 3

This Decision shall enter into force on the day following the last notification under Article 103(1) of the EEA Agreement⁴.

It shall apply from 1 January 2025.

Article 4

This Decision shall be published in the EEA Section of, and in the EEA Supplement to, the *Official Journal of the European Union*.

Done at Brussels, [...].

For the EEA Joint Committee

The President

[...]

The Secretaries

To the EEA Joint Committee

[...]

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⁴ [No constitutional requirements indicated.] [Constitutional requirements indicated.]

ANNEX

to Decision of the EEA Joint Committee No .../... 'PROTOCOL 4 ON RULES OF ORIGIN

Article 1

Rules of origin

- 1. For the purpose of implementing the EEA Agreement, Appendix I and the relevant provisions of Appendix II to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin⁵ ('the Convention'), as last amended and published in the *Official Journal of the European Union*, shall apply and are hereby incorporated into and made part of the EEA Agreement, *mutatis mutandis*
- 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 the EEA Agreement.

Article 2

Specific provisions for the European Economic Area

- 1. For the purpose of implementing the EEA Agreement, the following products shall be considered as originating in the EEA:
 - (a) products wholly obtained in the EEA;
 - (b) products obtained in the EEA incorporating materials which have not been wholly obtained there, provided that such materials have undergone sufficient working or processing in the EEA.
 - For the purpose of EEA origin, the territories of the Contracting Parties to the EEA Agreement to which the Agreement applies shall be considered as a single territory.
- 2. Notwithstanding paragraph 1, the territory of the Principality of Liechtenstein shall be excluded from that of the EEA, for the purpose of determining the origin of the products referred to in Tables I and II of Protocol 3 and such products shall be considered to be

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OJ L 54, 26.2.2013, p. 4.

- originating in the EEA only if they have been either wholly obtained or sufficiently worked or processed in the territories of the other Contracting Parties⁶.
- 3. Notwithstanding the definition of 'territory' in Appendix I to the Convention, 'territory' includes the land territory, internal waters and the territorial sea of the Contracting Parties to the EEA Agreement to which the EEA Agreement applies.
- For the purpose of implementing the EEA Agreement, the term "EEA" shall not cover 4. Ceuta and Melilla. For the purposes of applying Protocol 49 to the EEA Agreement concerning products originating in Ceuta and Melilla, this protocol shall apply mutatis mutandis subject to the special conditions set out in Annex V of the Convention.

Article 3

Additional cumulation provisions

- 1. The Contracting Parties agree to extend the application of Article 7(3) of the Convention on importation of products falling within Chapters 50 to 63.
- 2. The Contracting Parties to the EEA Agreement agree to waive the obligation to include in the proof of origin the statement referred to in Article 8(3) of the Convention "CUMULATION APPLIED WITH (name of the country/countries in English)".

JOINT DECLARATION

concerning the acceptance of proofs of origin issued within the framework of the agreements referred to in Article 7 of the Convention for products originating in the European Union, **Iceland or Norway**

- 1. Proofs of origin issued within the framework of the agreements referred to in Article 7 of Appendix I to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin for products originating in the European Union, Iceland or Norway shall be accepted for the purpose of granting preferential tariff treatment provided for by the EEA Agreement.
- 2. Such products shall be considered as materials originating in the EEA when incorporated into a product obtained there. It shall not be necessary for such materials to have undergone sufficient working or processing.
- 3. Furthermore, in so far as such products are covered by the EEA Agreement they shall be considered as originating in the EEA when re-exported to another EEA Contracting Party.

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OJ L 86, 20.4.1995, p. 58.

JOINT DECLARATION

concerning the Principality of Andorra

- 1. Products originating in the Principality of Andorra falling within Chapters 25 to 97 of the Harmonised System shall be accepted by Iceland, Liechtenstein and Norway as originating in the European Union within the meaning of the Agreement.
- 2. Protocol 4 shall apply, mutatis mutandis, for the purpose of defining the originating status of the abovementioned products.

JOINT DECLARATION

concerning the Republic of San Marino

- 1. Products originating in the Republic of San Marino shall be accepted by Iceland, Liechtenstein and Norway as originating in the European Union within the meaning of the Agreement.
- 2. Protocol 4 shall apply, mutatis mutandis for the purpose of defining the originating status of the abovementioned products.

JOINT DECLARATION

concerning the withdrawal of a Contracting Party from the Regional Convention on pan-Euro-Mediterranean preferential rules of origin

- 1. Should a Contracting Party to the EEA Agreement give notice in writing to the depositary of the Regional Convention on pan-Euro-Mediterranean preferential rules of origin of their intention to withdraw from the Convention according to its Article 9, the withdrawing Contracting Party shall immediately enter into negotiations on rules of origin with all other EEA Contracting Parties 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 Regional Convention on pan-Euro-Mediterranean preferential rules of origin, applicable

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at the moment of withdrawal, shall apply mutatis mutandis between the withdrawing Contracting Party and the other EEA Contracting Parties. 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 withdrawing Contracting Party and the other EEA Contracting Parties only.'