

**INTERIM ASSOCIATION
BETWEEN
THE EUROPEAN UNION AND
THE PALESTINE LIBERATION
ORGANISATION (PLO)
FOR THE BENEFIT
OF THE PALESTINIAN AUTHORITY
OF THE WEST BANK
AND THE GAZA STRIP**

The Joint Committee

**Brussels, 14 March 2025
(OR. en)**

UE-OLP 1853/24

LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: Draft DECISION OF THE EU-PALESTINIAN LIBERATION ORGANISATION (PLO) FOR THE BENEFIT OF THE PALESTINIAN AUTHORITY OF THE WEST BANK AND GAZA STRIP JOINT COMMITTEE amending Protocol 3 to the Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestinian Liberation Organisation (PLO) for the benefit of the Palestinian Authority of the West Bank and Gaza Strip, of the other part, as regards permeability between the Regional Convention on pan-Euro-Mediterranean preferential rules of origin and the Transitional rules of origin

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DECISION No ...
OF THE EU-PALESTINIAN LIBERATION ORGANISATION (PLO)
FOR THE BENEFIT OF THE PALESTINIAN AUTHORITY
OF THE WEST BANK AND GAZA STRIP JOINT COMMITTEE

of ...

amending Protocol 3 to the Euro-Mediterranean Interim Association Agreement
on trade and cooperation between the European Community, of the one part,
and the Palestinian Liberation Organisation (PLO)
for the benefit of the Palestinian Authority of the West Bank and Gaza Strip,
of the other part,
as regards permeability between the Regional Convention
on pan-Euro-Mediterranean preferential rules of origin
and the Transitional rules of origin

THE EU-PALESTINIAN LIBERATION ORGANISATION (PLO) FOR THE BENEFIT OF THE
PALESTINIAN AUTHORITY OF THE WEST BANK AND GAZA STRIP JOINT
COMMITTEE,

Having regard to the Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestinian Liberation Organisation (PLO) for the benefit of the Palestinian Authority of the West Bank and Gaza Strip, of the other part¹, and in particular Article 3 of its Protocol 3 concerning the definition of the concept of ‘originating products’ and methods of administrative cooperation,

¹ OJ EU L 187, 16.07.1997, p. 3.

Whereas:

- (1) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin² (the ‘Convention’), which 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, entered into force in relation to the Union and the Palestinian Liberation Organisation (PLO) for the benefit of the Palestinian Authority of the West Bank and Gaza Strip (‘Palestine’) on 1 May 2012 and 1 July 2014, respectively.

² OJ EU L 54, 26.2.2013, p. 4.

- (2) Pending the entry into force of the amendment of the Convention providing for a new set of modernised and more flexible rules of origin (the ‘amendment of the Convention’) adopted by the Joint Committee established by the Convention by virtue of its Decision No 1/2023³, some Contracting Parties have agreed to implement an alternative set of rules of origin based on the amendment of the Convention, (the ‘applying Contracting Parties’) on a transitional, bilateral basis (the ‘Transitional rules’). Since 1 September 2021, a number of bilateral protocols on rules of origin among the applying Contracting Parties have entered into force, rendering the Transitional rules applicable. As regards Palestine, Protocol 3 to the Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestinian Liberation Organisation (PLO) for the benefit of the Palestinian Authority of the West Bank and Gaza Strip, of the other part, (the ‘Agreement’) was replaced by a new Protocol 3 by Decision No 1/2021 of the EU-PLO Joint Committee⁴. The Transitional rules are set out in Appendix A to that new Protocol 3.

³ Decision No 1/2023 of the Joint Committee of the Regional Convention on pan-Euro-Mediterranean Preferential Rules of Origin of 7 December 2023 on the amendment of the Regional Convention on pan-Euro-Mediterranean preferential rules of origin (OJ EU L, 2024/390, 19.2.2024, ELI: <http://data.europa.eu/eli/dec/2024/390/oj>).

⁴ Decision No 1/2021 of the EU-PLO Joint Committee of 30 August 2021 amending the Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestinian Liberation Organization (PLO) for the benefit of the Palestinian Authority of the West Bank and Gaza Strip, of the other part, by replacing Protocol 3 thereto concerning the definition of the concept of ‘originating products’ and methods of administrative cooperation (OJ EU L 328, 16.9.2021, p. 23).

- (3) At the technical meeting held in Brussels on 5 February 2020, the majority of the Contracting Parties to the Convention agreed to implement the Transitional rules.
- (4) The objective of the Transitional rules is to provide for less strict rules, making it easier for goods to qualify for preferential originating status. As the Transitional rules are, in general, less strict than those of the Convention, goods fulfilling the rules of origin set out in the Convention could also qualify as originating under the Transitional rules, with the exception of certain agricultural products classified under Chapters 2, 4 to 15 and 16 (except for processed fishery products) and Chapters 17 to 24 of the Harmonized Commodity Description and Coding System.
- (5) The Transitional rules are applicable in parallel with the rules of origin set out in the Convention, thus creating two distinct zones of cumulation of origin. In that context, it can happen that goods fall under both sets of rules of origin simultaneously. According to the principle of permeability under Article 21(1), point (d), of Appendix A to Protocol 3 to the Agreement ('permeability'), goods which have acquired originating status under one set of rules of origin can be also considered as originating under the other set of rules of origin. In order to facilitate the application of permeability between the Convention and the Transitional rules, Article 8 of Appendix A to Protocol 3 should be amended,

HAS ADOPTED THIS DECISION:

Article 1

In Article 8 of Appendix A to Protocol 3 to the Euro-Mediterranean Interim Association Agreement on trade and cooperation between the European Community, of the one part, and the Palestinian Liberation Organisation (PLO) for the benefit of the Palestinian Authority of the West Bank and Gaza Strip, of the other part, the following paragraph is inserted:

- ‘1a. Notwithstanding paragraph 1, point (b), of this Article, the cumulation of origin provided for in Article 7 may be applied for goods classified under Chapters 1, 3 and 16 (for processed fishery products) and Chapters 25 to 97 of the Harmonised System that have obtained originating status by the application of rules of origin as set out in Appendix I and the relevant provisions of Appendix II to the Convention, provided that the goods concerned are considered as originating in the applying Contracting Parties for which cumulation is possible.’

Article 2

This Decision shall enter into force on the first day of the first month following its adoption.

Done at ..., ...

For the Joint Committee

The Chair

The Secretaries
