

## DECISION 1/75 OF THE JOINT COMMITTEE

of 2 December 1975

amending Article 23 of Protocol 3 concerning the definition of the concept of 'originating products' and methods of administrative cooperation

THE JOINT COMMITTEE,

Having regard to the Agreement between the European Economic Community and the Republic of Finland, signed in Brussels on 5 October 1973;

Having regard to Protocol 3 concerning the definition of the concept of 'originating products' and methods of administrative cooperation (hereinafter referred to as 'Protocol 3'), and in particular Article 28 thereof;

Whereas the present provisions of Article 23 (1) of Protocol 3, suspended until 31 December 1975 by Joint Committee Decision 4/74 of 2 December 1974, stipulate that the prohibition on the benefit of drawback of customs duty or exemption from customs duty of whatever kind, for non-originating products used in the manufacture of originating products, applies as from the date when the duty applicable to originating products of the same kind as the products used was, in the Community or in Finland, reduced to 40% of the basic duty;

Whereas the reference to a certain level of tariff dismantling in order to determine the date of application of these provisions is likely to entail practical difficulties, in particular because of the differences in tariff systems applicable both to the finished products and to the originating products of the same kind as the products used;

Whereas it is consequently appropriate to provide for a uniform date of application for the whole of the products concerned; whereas that date may be the date of the entry into force of this Decision;

Whereas, in addition, the present provisions of Article 23 (2) and (3), stipulate that, for the application of the tariff system in force by virtue of Article 3 (1) of the Agreement, in trade between the former EFTA countries, only those products referred to in Article 25 (1) of Protocol 3 may benefit from drawback of customs duty of whatever kind;

Whereas in practice it is a result of these provisions that the benefit of drawback of customs duty or exemption from customs duty of whatever kind, is prohibited for products originating in the Community as originally constituted or in Ireland which are used in the manufacture of products which may benefit from the tariff system resulting from Article 3 (1) of the Agreement;

Whereas this prohibition must continue for as long as the tariff system resulting from Article 3 (1) of the Agreement is not identical to that resulting from Article 3 (2) thereof;

Whereas, however, for the majority of the products concerned, this prohibition will continue only until 30 June 1977; whereas it is appropriate in a desire for simplification, to lay down the same date for all the products in question,

HAS DECIDED AS FOLLOWS:

*Article 1*

The text of Article 23 of Protocol 3 shall be replaced by the following:

*'Article 23*

1. Without prejudice to the provisions of Article 1 of Protocol 2, products of the kind to which the Agreement applies, which are used in the manufacture of products for which a movement certificate EUR.1 or a form EUR.2 is issued or completed, can only be the subject of drawback of customs duty or benefit from an exemption from customs duty of whatever kind when products originating in the Community, Finland or one of the six countries referred to in Article 2 of this Protocol are concerned.

2. Without prejudice to the provisions of Article 1 of Protocol 2, products originating in the Community as originally constituted or in Ireland

which are used in the manufacture of products obtained in accordance with the conditions laid down in Article 25 (1) may not be the subject, in the State where such manufacture took place, of drawback of customs duty or benefit from an exemption of customs duty of whatever kind until 30 June 1977.

3. In this and the following Articles, the term "customs duty" also means charges having an equivalent effect to customs duty.'

*Article 2*

This Decision shall enter into force on 1 January 1976.

Done at Brussels, 2 December 1975.

*For the Joint Committee*

*The President*

R. de KERGORLAY