

ACTS ADOPTED BY BODIES CREATED BY INTERNATIONAL AGREEMENTS

DECISION No 1/2019 OF THE EU-MEXICO JOINT COMMITTEE

of 16 October 2019

relating to amendments to Annex III to Decision No 2/2000 of the EC-Mexico Joint Council concerning the definition of the concept of originating products and methods of administrative cooperation (Andorra and San Marino, and certain product-specific rules of origin for chemicals) [2021/10]

THE EU-MEXICO JOINT COMMITTEE,

Having regard to Decision No 2/2000 of the EC-Mexico Joint Council of 23 March 2000 ⁽¹⁾ and its Annex III, and in particular Article 38 of Annex III,

Whereas:

- (1) Annex III to Decision No 2/2000 ('Annex III') sets out the rules of origin for the products originating in the territory of the Parties to the Economic Partnership, Political Coordination and Cooperation Agreement between the European Community and its Member States, of the one part, and the United Mexican States, of the other part ⁽²⁾, signed in Brussels on 8 December 1997 ('the Agreement').
- (2) The European Union has in place customs unions with the Principality of Andorra and with the Republic of San Marino, respectively, and, as a result, goods originating in Mexico benefit from preferential treatment when exported to those two countries.
- (3) It has been agreed that Mexico will accept products falling within Chapters 25 to 97 of the Harmonized System originating in the Principality of Andorra and products falling within Chapters 1 to 97 of the Harmonised System originating in the Republic of San Marino as products originating in the European Union within the meaning of Annex III.
- (4) An Appendix VI should therefore be added to Annex III to allow those products to be treated, when imported into Mexico, in a similar way to products originating in the European Union, and to establish provisions regarding the application of Annex III to those products.
- (5) On 7 April 2017 the Joint Committee adopted Decision No 1/2017 ⁽³⁾, which extends the application of the rules of origin established in Notes 2 and 3 of Appendix II(a) to Annex III ('Notes 2 and 3') for the fourth time. The extension provided for in Decision No 1/2017 applies until 31 December 2019.
- (6) It is appropriate to extend the application of the rules of origin established in Notes 2 and 3 on a permanent basis, because they are in line with the principles of the modernisation of the Agreement.
- (7) Annex III should therefore be amended accordingly,

⁽¹⁾ OJ L 157, 30.6.2000, p. 10.

⁽²⁾ OJ L 276, 28.10.2000, p. 45.

⁽³⁾ Decision No 1/2017 of the EU-Mexico Joint Committee of 7 April 2017 relating to amendments to Annex III to Decision No 2/2000 of the EC-Mexico Joint Council of 23 March 2000 concerning the definition of the concept of originating products and methods of administrative cooperation (certain product-specific rules of origin for chemicals).

HAS ADOPTED THIS DECISION:

Article 1

1. Appendix II to Annex III to Decision No 2/2000 is amended as set out in Annex I to this Decision.
2. An Appendix VI is added to Annex III to Decision No 2/2000 as set out in Annex II to this Decision.

Article 2

This Decision shall enter into force on the first day of the second month following the date on which the Parties have notified each other of the completion of the procedures necessary for this purpose.

Done at Brussels, 16 October 2019.

For the Joint Committee
Edita HRDA
European External Action Service, Managing Director,
Americas

ANNEX I

In Appendix II to Annex III to Decision No 2/2000, the entries for HS headings 2914 and 2915 are replaced by the following:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3) or (4)	
'ex 2914	— Diacetone alcohol — Methyl isobutyl ketone — Mesityl oxide	Manufacture from acetone	Manufacture in which a chemical reaction is made (*)
2915	Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives, except for:	Manufacture from materials of any heading. However, the value of all the materials of headings 2915 and 2916 used may not exceed 20 % of the ex-works price of the product	Manufacture in which the value of all the materials used does not exceed 40 % of the ex-works price of the product
	— Acetic anhydride, ethyl and n-butyl acetate, vinyl acetate, isopropyl and methylamyl acetate, mono-, di- or trichloroacetic acids, their salts and esters	Manufacture from materials of any heading. However, the value of all the materials of heading 2916 used may not exceed 20 % of the ex-works price of the product	Manufacture in which a chemical reaction is made (*)

(*) A "chemical reaction" is a process (including a biochemical process) which results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule. The following processes should not be considered for purposes of origin:

- (a) dissolving in water or other solvents;
- (b) the elimination of solvents including solvent water; or
- (c) the addition or elimination of water of crystallization.

ANNEX II

The following Appendix is added to Annex III to Decision No 2/2000:

'Appendix VI

THE PRINCIPALITY OF ANDORRA AND THE REPUBLIC OF SAN MARINO

1. Products originating in the Principality of Andorra falling within Chapters 25 to 97 of the Harmonized System shall be accepted by Mexico under the same customs regime as that which applies to products imported from and originating in the European Union, as long as the customs union established by Council Decision 90/680/EEC ⁽¹⁾ remains in force.
2. Products originating in Mexico falling within Chapters 25 to 97 of the Harmonized System benefit from the same preferential tariff treatment when imported into Andorra as they receive when imported into the European Union, as long as the customs union established by Decision 90/680/EEC remains in force.
3. Products originating in the Republic of San Marino falling within Chapters 1 to 97 of the Harmonized System shall be accepted by Mexico under the same customs regime as that which applies to products imported from and originating in the European Union, as long as the Agreement on Cooperation and Customs Union between the European Economic Community and the Republic of San Marino ⁽²⁾, done at Brussels on 16 December 1991, remains in force.
4. Products originating in Mexico falling within Chapters 1 to 97 of the Harmonized System benefit from the same preferential tariff treatment when imported into San Marino as they receive when imported into the European Union, as long as the Agreement on Cooperation and Customs Union between the European Economic Community and the Republic of San Marino, done at Brussels on 16 December 1991, remains in force.
5. Annex III shall apply *mutatis mutandis* to the trade of the products referred to in points 1 to 4.
6. The exporter or his authorised representative shall enter "Mexico" as well as either "the Principality of Andorra" or "the Republic of San Marino" in Box 2 of the EUR.1 movement certificate or on the invoice declaration. In addition, that information shall be entered in Box 4 of the EUR.1 movement certificate, or on the invoice declaration in the case of products originating in the Principality of Andorra or the Republic of San Marino.
7. The European Union shall send to Mexico samples of the EUR.1 movement certificates, the stamps to be used by the Principality of Andorra and the Republic of San Marino, and the addresses of the authorities responsible for the verification process in the Principality of Andorra and the Republic of San Marino.
8. If the competent governmental authority of the Principality of Andorra or the Republic of San Marino does not comply with the provisions of Annex III, Mexico may take the case to the Special Committee on Customs Cooperation and Rules of Origin established by Article 17 of Decision No 2/2000, in order for appropriate measures to be determined to resolve the issue'.

⁽¹⁾ Council Decision 90/680/EEC of 26 November 1990 on the conclusion of an agreement in the form of an Exchange of Letters between the European Economic Community and the Principality of Andorra (OJ L 374, 31.12.1990, p. 13).

⁽²⁾ OJ L 84, 28.3.2002, p. 43.