EUROPEAN
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ANNEX 1

ANNEX

to the

Proposal for a Council Decision

on the position to be adopted on behalf of the European Union within the Customs Sub-Committee established by the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, as regards the replacement of Protocol I to that Agreement, concerning the definition of the concept of 'originating products' and methods of administrative cooperation, by a new Protocol which refers to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin

Draft

DECISION No … OF THE EU-GEORGIA CUSTOMS SUB-COMMITTEE

of

replacing Protocol I to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, concerning the definition of the concept of 'originating products' and methods of administrative cooperation

THE EU-GEORGIA CUSTOMS SUB-COMMITTEE,

Having regard to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part[1], and in particular Article 23(2) thereof,

Having regard to Protocol I to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, concerning the definition of the concept of 'originating products' and methods of administrative cooperation,

Whereas:

(1) Article 23(2) of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part ('the Agreement'), refers to Protocol I to the Agreement ('Protocol I') for the rules of origin.

(2) The Association Agreement entered into force on 1 July 2016.

(3) Article 38 of Protocol I provides that the Customs Sub-Committee provided for in Article 74 of the Agreement may decide to amend the provisions of Protocol I.

(4) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin[2] ('the Convention') aims to replace the protocols on rules of origin currently in force among the countries of the pan-Euro-Mediterranean area with a single legal act.

(5) The European Union signed the Convention on 15 June 2011. With its Decision No 1 of 28 September 2016[3], the Joint Committee of the Convention decided that Georgia should be invited to accede to the Convention.

(6) The Union and Georgia deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 17 May 2017 respectively. Consequently, in application of Article 10(3) of the Convention, the Convention entered into force in relation to the Union and Georgia on 1 May 2012 and on 1 July 2017 respectively.

(7) Protocol I should therefore be replaced by a new protocol making reference to the Convention.

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1 OJ L 261, 30.8.2014, p. 4.
2 OJ L 54, 26.2.2013, p. 4.
3 OJ L 329, 3.12.2016, p. 118.

HAS ADOPTED THIS DECISION:

Article 1

Protocol I to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, concerning the definition of the concept of 'originating products' and methods of administrative cooperation shall be replaced by the text set out in the Annex to this Decision.

Article 2

This Decision shall enter into force on the date of its adoption.

It shall apply from …

Done at

For the Customs Sub-Committee
The Chairman

ANNEX

Protocol I

concerning the definition of the concept of 'originating products' and methods of administrative cooperation

Article 1

Applicable rules of origin

1. For the purpose of implementing this Agreement, Appendix I and the relevant provisions of Appendix II to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin[4] ('the Convention') shall apply.

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 this Agreement.

Article 2

Dispute settlement

1. Where disputes arise in relation to the verification procedures of Article 32 of Appendix I to the Convention that cannot be settled between the customs authorities requesting the verification and the customs authorities responsible for carrying out that verification, they shall be submitted to the Customs Sub-Committee. The provisions on the dispute settlement mechanism in Chapter 14 (Dispute Settlement) of Title IV (Trade and Trade-related Matters) of this Agreement shall not apply.

2. In all cases the settlement of disputes between the importer and the customs authorities of the importing country shall take place under the legislation of that country.

Article 3

Amendments to the Protocol

The Customs Sub-Committee may decide to amend the provisions of this Protocol.

Article 4

Withdrawal from the Convention

1. Should either the European Union or Georgia give notice in writing to the depositary of the Convention of their intention to withdraw from the Convention according to Article 9 thereof, the European Union and Georgia shall immediately enter into negotiations on rules of origin 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 Convention, applicable at the moment of withdrawal, shall continue to apply to this Agreement. 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

[4] OJ L 54, 26.2.2013, p. 4.

shall be construed so as to allow bilateral cumulation between the European Union and Georgia only.

Article 5

Transitional provisions – cumulation

Notwithstanding Articles 16(5) and 21(3) of Appendix I to the Convention, where cumulation involves only EFTA States, the Faroe Islands, the European Union, Turkey, the participants in the Stabilisation and Association Process, the Republic of Moldova and Georgia, the proof of origin may be a movement certificate EUR.1 or an origin declaration.