



Brussels, 29.1.2015  
COM(2015) 27 final

2015/0019 (NLE)

Proposal for a

## **COUNCIL DECISION**

**on the position to be adopted on behalf of the European Union within the Joint Committee established by the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part, as regards the replacement of Protocol 3 to that Agreement, concerning the definition of the concept of ‘originating products’ and methods of administrative cooperation, by a new protocol which, as regards the rules of origin, refers to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin**

## EXPLANATORY MEMORANDUM

### **1. CONTEXT OF THE PROPOSAL**

The Regional Convention on pan-Euro-Mediterranean preferential rules of origin<sup>1</sup> ('the Convention') lays down provisions on the origin of goods traded under relevant Agreements concluded between the Contracting Parties. The EU and the Kingdom of Denmark in respect of the Faroe Islands signed the Convention on 15 June 2011.

The EU and the Kingdom of Denmark in respect of the Faroe Islands deposited their instrument of acceptance with the depositary of the Convention on 26 March 2012 and 9 September 2013 respectively. As a consequence, in application of its Article 10(3), the Convention entered into force in relation to the EU and the Faroe Islands on 1 May 2012 and on 1 November 2013 respectively.

Article 6 of the Convention provides that each Contracting Party shall take appropriate measures to ensure that the Convention is effectively applied. To that effect, the Joint Committee established by the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part<sup>2</sup>, should adopt a Decision replacing Protocol 3 concerning the definition of the concept of 'originating products' and methods of administrative cooperation by a new Protocol which, with regard to the rules of origin, refers to the Convention. The position to be taken by the EU within the Joint Committee should be established by the Council.

### **2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS**

The EU Member States were informed on the draft Council Decision in the Customs Code Committee's Origin Section of 13 May 2013. The Contracting Parties to the Convention were last consulted at the meeting of the Pan-Euro-Med working group of 22 and 23 October 2014.

No recourse to external expertise has been necessary. Furthermore, it has not been necessary to conduct an impact assessment, since the proposed amendments are technical in nature and do not affect the substance of the protocol on rules of origin currently in effect.

### **3. LEGAL ELEMENTS OF THE PROPOSAL**

The legal basis for the Council Decision is the first subparagraph of Article 207(4) in conjunction with Article 218(9) of the Treaty on the Functioning of the European Union.

The proposal falls under the exclusive competence of the Union. The principle of subsidiarity does therefore not apply.

Proposed instrument: Council Decision.

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<sup>1</sup> OJ L 54, 26.2.2013, p. 4.

<sup>2</sup> OJ L 53, 22.2.1997, p. 2.

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## COUNCIL DECISION

**on the position to be adopted on behalf of the European Union within the Joint Committee established by the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part, as regards the replacement of Protocol 3 to that Agreement, concerning the definition of the concept of ‘originating products’ and methods of administrative cooperation, by a new protocol which, as regards the rules of origin, refers to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular the first subparagraph of Article 207(4) in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Protocol 3 to the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part<sup>3</sup> (‘the Agreement’), concerns the definition of the concept of ‘originating products’ and methods of administrative cooperation (‘Protocol 3’).
- (2) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin<sup>4</sup> (‘the Convention’) lays down provisions on the origin of goods traded under relevant agreements concluded between the Contracting Parties.
- (3) The Union and the Kingdom of Denmark in respect of the Faroe Islands signed the Convention on 15 June 2011.
- (4) The Union and the Kingdom of Denmark in respect of the Faroe Islands deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 9 September 2013 respectively. Consequently, in application of Article 10(3) of the Convention, the Convention entered into force in relation to the Union and the Faroe Islands on 1 May 2012 and on 1 November 2013 respectively.
- (5) Article 6 of the Convention provides that each Contracting Party is to take appropriate measures to ensure that the Convention is effectively applied. To that effect, the Joint Committee established by the Agreement should adopt a decision replacing Protocol 3 by a new protocol which, with regard to the rules of origin, refers to the Convention.
- (6) The position of the Union within the Joint Committee should therefore be based on the attached draft decision,

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<sup>3</sup> OJ L 53, 22.2.1997, p. 2.

<sup>4</sup> OJ L 54, 26.2.2013, p. 4.

HAS ADOPTED THIS DECISION:

*Article 1*

The position to be adopted on behalf of the European Union within the Joint Committee established by the Agreement between the European Community, of the one part, and the Government of Denmark and the Home Government of the Faroe Islands, of the other part, as regards the replacement of Protocol 3 to that Agreement, concerning the definition of the concept of 'originating products' and methods of administrative cooperation, by a new protocol which, as regards the rules of origin, refers to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin, shall be based on the draft decision of the Joint Committee attached to this Decision.

Minor changes to the draft decision of the Joint Committee may be agreed to by the representatives of the Union in the Joint Committee without further decision of the Council.

*Article 2*

The decision of the Joint Committee shall be published in the *Official Journal of the European Union*.

*Article 3*

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

Done at Brussels,

*For the Council  
The President*