

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(75) 366 final.

Brussels, 15 July 1975

Draft

DECISION OF THE JOINT COMMITTEE

modifying List A annexed to Protocol No 3 concerning
the definition of the concept of "originating products"
and methods of administrative cooperation

Draft

DECISION OF THE JOINT COMMITTEE

amending Protocol No 3 concerning the definition of the
concept of "originating products" and methods of administrative
cooperation and Decisions Nos 3/73 and 4/73
of the Joint Committee

(submitted to the Council by the Commission)

COMMUNICATION OF THE COMMISSION TO THE COUNCIL

The provisions concerning the rules of origin at present in the Lists A annexed to Protocols No 3 of the Agreements concluded with the EFTA countries stipulate that the percentage rules which lays down a maximum of 40 % for third country products useable in the manufacture of products in Chapter 84 is not applicable until 31 December 1977 to fuel elements for nuclear reactors falling within heading No 84.59 B of the Common Customs Tariff. This means that for these products, the general rule of change of tariff heading applies until that date.

The problem is to know what rule of origin we should envisage after 31 December 1977.

It is necessary to resolve this problem as quickly as possible as, according to normal practice, the manufacture of these products is the object of long-term supply contracts (in general eight years).

To solve this problem, two possibilities are a priori conceivable:

- to keep the present rule of change of tariff heading after 31 December 1977;
- the introduction from 31 December 1977 of the 40 % rule as for the rest of Chapter 84.

The preliminary discussions which have been held on this point with the customs experts from the Member States, has resulted in a considerable majority in favour of the first solution. The Commission agrees with this.

Only the French delegation has reserved its position on this point, feeling that the keeping of the rule of change of tariff heading risks prejudging the future, insofar as to Community supply in this sector. However, bearing in mind the majority position which has emerged from these discussions, the Commission has prepared the attached draft Decision for the Joint Committee EEC-EFTA countries which deletes the present footnote in List A for Chapter 84 and includes the heading No 84.59 B in the list of exceptions to the 40 % rule applying to Chapter 84.

The Commission proposes that the Council adopts this draft Decision as the common position of the Community for the purposes of the various EEC-EFTA Joint Committees.

The draft has been prepared for the EEC-Austria Joint Committee as a model, but it should be understood that it will be the same for the others.

In addition, as this Decision has a certain urgency, the Commission proposes that this should be adopted by the Joint Committees before 31 July 1975.

✓

AGREEMENT EEC-AUSTRIA

- The Joint Committee -

DRAFT

DECISION NO 75 OF THE JOINT COMMITTEE

modifying List A annexed to Protocol No 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 Austria, signed in Brussels on 22 July 1972;

Having regard to Protocol No 3 concerning the definition of the concept
of "originating products" and methods of administrative cooperation,
and in particular Article 28 thereof;

Whereas the present rule, laid down in the List A annexed to the afore-
said Protocol No 3, for boilers, machinery and mechanical appliances
falling within Chapter 84 of the Customs Tariff, does not apply, until
31 December 1977, to fuel elements falling within tariff heading 84.59
of the Customs Tariff;

Whereas the production of these products depends, for the obtention of
raw materials, upon long-term supply contracts; it is consequently
desirable to determine as from now the rule which will be applicable to
these products after 31 December 1977;

Whereas it is necessary to apply after 31 December 1977 the present
rule applicable to these products permanently,

HAS DECIDED AS FOLLOWS:

Sole Article

1. In the List A annexed to Protocol No 3, the rule concerning the tariff heading ex Chapter 84 shall be replaced by the following rule:

Products obtained		Working or processing that does not confer the status of originating products	Working or processing that confers the status of originating products when the following conditions are met
Customs tariff heading No	Description		
ex Chapter 84	Boilers, machinery and mechanical appliances and parts thereof, excluding refrigerators and refrigerating equipment (electrical and other) (No 84.15), sewing machines including furniture specially designed for sewing machines (ex No 84.41) and fuel elements (ex 84.59)		Working, processing or assembly in which the value of the materials and parts used does not exceed 40 % of the value of the finished product

2. The footnote (1) at the bottom of the page is deleted.

Done at
For the Joint Committee
The Chairman

4

COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

The Commission has in 1974 (see document COM (74) 1302 final of 10 September 1974) recommended to the Council, on the one hand, to decide on the common position of the Community concerning the raising of the value limits at present laid down for the originating products which may benefit from the Agreements without documentary evidence and, on the other hand, to considerably modify the system for issuing documentary evidence by extending the use of the Form EUR.2 to all types of transport. The examination of these ideas by the Council has not until now allowed us to reach a common position in this regard.

Additionally, in the context of the Agreements and in the hope of simplifying the tasks of traders by having only one type of certificate and form for all the Agreements, the need to reserve a place on the movement certificate EUR.1 and on form EUR.2 for the ad hoc mention of the country of origin has arisen. However, not all the Member States agree as to the need for this.

It is apparent that one global solution can be accepted by the Community and by the EFTA countries. This consists of extending the use of the EUR.2 to all types of transport and to raise the value limits governing its use and those for small consignments while providing for the indication of the country of origin in the EUR.1 and EUR.2.

This is the subject of this draft Decision intended for the Joint Committee EEC-Austria. This text replaces the two draft decisions for the Joint Committees which were the subject of the document referred to above which covered the same ground as this text. This text has been prepared for the EEC-Austria Agreement, but is, mutatis mutandis, valid for the other Agreements between the EEC and the EFTA countries.

./...

5

Summarizing, this draft covers :

- the raising of the value limits governing the products sent as small parcels to private individuals or contained in personal luggage;
- the opportunity to reserve a box in the movement certificate EUR.1 and the form EUR.2 for the recording of the country of origin;
- the simplification of the system for the issue of documentary evidence by the extension of the use of form EUR.2 to all types of transport, as well as raising the value limit governing its use;
- the deletion of note 8 - to Article 10 - in Annexe I of Protocol No 3 and of Article 8 (2) of the Decision No 3/73 of the Joint Committee.

Draft of

DECISION NO OF THE JOINT COMMITTEE

amending Protocol No 3 concerning
the definition of the concept of "originating products"
and methods of administrative cooperation
and Decisions Nos 3/73 and 4/73 of the Joint Committee

THE JOINT COMMITTEE,

Having regard to the Agreement between the European Economic Community and the Republic of Austria signed in Brussels on 22 July 1972,

Having regard to Protocol No 3 concerning the definition of the concept of "originating products" and methods of administrative cooperation (hereinafter referred to as "Protocol No 3", and in particular Article 28 thereof;

Whereas it is desirable that the value limits laid down in Article 14 of Protocol No 3 should be raised;

Whereas it is necessary to allocate a box in the movement certificate EUR.1 and in Form EUR.2 for placing the name of the country of origin; it is consequently desirable to amend the models of this certificate and form;

Whereas it is also necessary to simplify considerably the procedure of issuing these documentary proofs in extending the measures adopted by Joint Committee Decision No 4/73 to other means of transport, as well as to raise the value limit laid down in that decision,

HAS DECIDED AS FOLLOWS :

Article 1

The text of Article 14 (1) and (2) shall be deleted and replaced by the following:

"Article 14

1. The Community and Austria shall admit as originating products benefiting from the Agreement without requiring the production of a movement certificate EUR.1 or the completion of a form EUR.2 any goods sent as small packages to private persons, or forming part of travellers' personal luggage, provided that such goods are not imported by way of trade and have been declared as meeting the conditions required for the application of these provisions, and where there is no doubt as to the veracity of such declaration.

2. Importations which are occasional and consist solely of goods for the personal use of the recipients or travellers or their families shall not be considered as importations by way of trade if it is evident from the nature and quantity of the goods that no commercial purpose is in view. Furthermore, the total value of these goods must not exceed 100 units of account in the case of small packages or 300 units of account in the case of the contents of travellers' personal luggage."

Article 2

The specimen movement certificate given in Annex V to the Protocol No 3, as amended by virtue of Decision No 10/73 of the Joint Committee, shall be withdrawn and replaced by the specimen given in Annex I hereto.

Article 3

Note 8 to Article 10 of Annex I of Protocol No 3 is deleted.

Article 4

(2)

Article 8 of Decision No 3/73 of the Joint Committee shall be deleted.

Article 5

Article 21 of Decision No 3/73 of the Joint Committee shall be replaced by the following: "The initials and the endorsements referred to in Articles 13, 14 and 20 shall be inserted in the box⁷ "Remarks" of the certificate."

Article 6

1. Without prejudice to Article 8 (1) of Protocol No 3, originating products within the meaning of the Protocol referred to above shall, provided the consignment consists only of originating products and provided the value does not exceed 1,500 units of account per consignment, benefit from the provisions of the Agreement on import into the Community or Austria on presentation of form EUR.2 of which a specimen is included in Annex II to this Decision.
2. One form EUR.2 is to be used for each consignment.

Article 7

Form EUR.2 shall be completed by the exporter or his authorized representative. It shall be made out on the form of which a model is given in Annex II of this Decision. This form shall be printed in one or more of the languages in which the Agreement is drawn up. It shall be made out in one of these languages and in accordance with the provisions of the domestic law of the exporting State. If it is handwritten it must be completed in ink and in block letters.

Form EUR.2 shall be 210 x 148 mm. A tolerance of up to plus 8 mm or minus 5 mm in the length may be allowed. The paper used shall be white paper dressed for writing not containing mechanical pulp and weighing not less than 64 g /m².

The Member States of the Community and Austria may reserve the right to print the forms themselves or may have them printed by printers they have approved. In the latter case each form must bear a reference to such approval. In addition, the form must bear the name and address of the printer or a mark by which the printer can be identified. It shall also bear a serial number, whether or not printed, by which it can be identified.

./...

Article 8

In order to ensure proper application of this Decision, the Member States of the Community and Austria shall assist each other, through their respective customs administrations, for the purpose of checking the authenticity and accuracy of exporters' declarations made on forms EUR.2.

Article 9

Penalties shall be imposed on any person who completes a form or causes a form to be completed which contains inaccurate information for the purpose of enabling goods to benefit from preferential treatment.

Article 10

1. The movement certificates made out on the form previously in force may continue to be used until stocks are exhausted, under the conditions laid down previous to the entry into force of this Decision.
2. The forms EUR.2 made out on the form previously in force may continue to be used until stocks are exhausted for postal consignments (including parcel post) under the conditions laid down previous to the entry into force of this Decision.

Additionally, they may continue to be used until stocks are exhausted, under the conditions laid down by this Decision, especially as regards the endorsement that should be made in box No 8.

Article 11

Decision No 4/73 of the Joint Committee is repealed.

./...

Article 12

1. The text of Article 18 of Joint Committee Decision No 3/73 is replaced by the following:

" Under the responsibility of the exporter, he or his authorized representative shall complete and sign the form EUR.2.

If the goods contained in the package have already been subject to verification in the exporting country by reference to the definition of the concept of originating products, the exporter may refer to this check in box No 6 "Remarks" of form EUR.2."

Article 13

An exporter who makes out a form EUR.2 shall be obliged to submit, at the request of the Customs authorities of the exporting country, supporting evidence concerning the use of this form.

Article 14

This Decision shall enter into force on 1 January 1976.

Done at Brussels,

For the Joint Committee,

The Chairman

6
MOVEMENT CERTIFICATE

ANNEX I

1. Exporter (Name, full address, country): 	<p style="font-size: 1.5em; font-weight: bold;">EUR. 1 No A 000000</p> <p style="font-size: 0.8em;">See notes overleaf before completing this form</p>
3. Consignee (Name, full address, country) (Optional) 	2. Certificate used in preferential trade between <p style="text-align: center;">and</p> <small>(insert appropriate countries, groups of countries or territories)</small>
6. Transport details (Optional) 	4. Country, group of countries or territory in which the products are considered as originating
	5. Country, group of countries or territory of destination
	7. Remarks
8. Item number; marks and numbers Number and kind of packages (1); description of goods 	9. Gross weight (kg) or other measure (litres, cu.m, etc.)
	10. Invoices (Optional)

) If goods are not packed, indicate number of articles or state "in bulk" as appropriate.

) Complete only where the regulations of the exporting country or territory require.

11. CUSTOMS ENDORSEMENT Declaration certified. Export document (2): Form No. Stamp Customs office: Issuing country or territory: Date (Signature)	12. DECLARATION BY THE EXPORTER I, the undersigned, declare that the goods described above meet the conditions required for the issue of this certificate. Place and date: (Signature)
--	--

12

<p>13. REQUEST FOR VERIFICATION, to</p>	<p>14. RESULT OF VERIFICATION</p>
<p>Verification of the authenticity and accuracy of this certificate is requested.</p>	<p>Verification carried out shows that this certificate (1)</p> <p><input type="checkbox"/> was issued by the Customs Office indicated and that the information contained therein is accurate.</p> <p><input type="checkbox"/> does not meet the requirements as to authenticity and accuracy (see remarks appended).</p>
<p>..... (Place and date)</p> <p style="text-align: right;">Stamp</p>	<p>..... (Place and date)</p> <p style="text-align: right;">Stamp</p>
<p>..... (Signature)</p>	<p>..... (Signature)</p> <p>(1) Insert X in the appropriate box.</p>

NOTES

1. Certificates must not contain erasures or words written over one another. Any alterations must be made by deleting the incorrect particulars and adding any necessary corrections. Any such alteration must be initialled by the person who completed the certificate and endorsed by the Customs authorities of the issuing country or territory.
2. No spaces must be left between the items entered on the certificate and each item must be preceded by an item number. A horizontal line must be drawn immediately below the last item. Any unused space must be struck through in such a manner as to make any later additions impossible.
3. Goods must be described in accordance with commercial practice and with sufficient detail to enable them to be identified.

APPLICATION FOR A MOVEMENT CERTIFICATE

1. Exporter (Name, full address, country)	EUR. 1 No A 000000		
	See notes overleaf before completing this form		
3. Consignee (Name, full address, country) (Optional)	2. Application for a certificate to be used in preferential trade between		
 and (insert appropriate countries, groups of countries or territories)		
	4. Country, group of countries or territory in which the products are considered as originating	5. Country, group of countries or territory of destination	
6. Transport details (Optional)	7. Remarks		
8. Item number; marks and numbers Number and kind of packages (//); description of goods	9. Gross weight (kg) or other measure (litres, cu.m, etc.)	10. Invoices (Optional)	

If goods are not packed, indicate number of articles or state "in bulk" as appropriate.

DECLARATION BY THE EXPORTER

I, the undersigned, exporter of the goods described overleaf,

DECLARE that the goods meet the conditions required for the issue of the attached certificate;

SPECIFY as follows the circumstances which have enabled these goods to meet the above conditions:

SUBMIT the following supporting documents (1):

UNDERTAKE to submit, at the request of the appropriate authorities, any supporting evidence which these authorities may require for the purpose of issuing the attached certificate, and undertake, if required, to agree to any inspection of my accounts and to any check on the processes of manufacture of the above goods, carried out by the said authorities;

REQUEST the issue of the attached certificate for these goods.

(Place and date)

(Signature)

(1) For example: import documents, movement certificates, invoices, manufacturer's declarations, etc., referring to the products used in manufacture or the goods re-exported in the same state.

VS

Before completing this form read carefully the instructions on the back

FORM EUR. 2 No. A 000000		1. FORM USED IN PREFERENTIAL TRADE between and	
2. EXPORTER (name, full address, country)		Declaration by the exporter I, the undersigned, exporter of the goods described below declare that they fulfill the necessary conditions for the completion of this form and that they have acquired originating status under the conditions governing preferential trade mentioned in Box 1	
4. CONSIGNEE (name, full address, country)			
6. REMARKS (1)		5. Place and date	
		7. Signature of exporter	
11. MARKS AND NUMBERS OF PACKAGES AND DESCRIPTION OF GOODS		8. Country in which the products are considered as originating (2)	Country of destination (2)
		Gross weight	
11. MARKS AND NUMBERS OF PACKAGES AND DESCRIPTION OF GOODS		12. Authorities in the exporting country responsible for verification of the declaration by the exporter	
		1. Refer to any verification already carried out by the appropriate authorities. 2. By country one includes a group of countries or a single country.	

REQUEST FOR VERIFICATION	RESULT OF VERIFICATION
<p>The undersigned Customs officer requests that the declaration by the exporter on the front of this form be verified (*)</p> <p>..... (Place and date of signature)</p> <p>Official stamp</p> <p>..... (Signature of Customs officer)</p>	<p>Verification carried out by the undersigned Customs officer shows that:</p> <p><input type="checkbox"/> the statements and particulars given in this form are accurate (1);</p> <p><input type="checkbox"/> this form does not meet the requirements as to authenticity and accuracy (see remarks appended) (1)</p> <p>..... (Place and date of signature)</p> <p>Official stamp</p> <p>..... (Signature of Customs officer)</p> <p>(1) Place an X where applicable.</p>

(*) Verification of the form is made on a sampling basis or whenever the customs authorities of the importing country have reasonable doubt as to the true origin of the goods in question or of constituents thereof.

The Customs authorities of the importing country must send the form to the authorities of the exporting country responsible for verification, specifying the reasons of substance or form which justify an inquiry. Wherever possible they must attach to the form the invoice submitted to them or a copy thereof, and give any information which it has been possible to obtain and which suggests that the particulars given in the form are inaccurate.

If the Customs authorities of the importing country decide to suspend the provisions of the Agreement while awaiting the results of the verification, they shall offer to release the goods to the importer subject to such safeguards as may be considered necessary.

Instructions of the completion of Form EUR.6

- A. A Form EUR.2 may be made out only for goods which in the exporting country fulfill the conditions specified by the provisions governing the trade referred to in Box 1 of the Form.
These provisions must be studied carefully before the Form is completed.
- B. For a despatch by parcel post the exporter must attach the Form to the despatch note; for a despatch by letter post the exporter puts the Form into it. Additionally, he must give the reference EUR.2 followed by the serial number of the Form either on the green label C1 or on the customs declaration C2/CP3.
- C. These instructions do not exempt exporters from complying with any other formalities required by customs or postal regulations.
- D. The use of this Form constitutes an undertaking by the exporter to submit to the appropriate authorities any supporting evidence which these authorities may require and to agree to any inspection by them of his accounts and any check by them on the processes of manufacture of the goods described in Box 11 of this Form.