EU/Switzerland Agreement: cumulation of origin between the EU, Switzerland, Norway and Turkey in the framework of the generalised system of preferences

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PURPOSE: to conclude an Agreement in the form of an Exchange of Letters between the European Union and Switzerland on the cumulation of origin between the European Union, Switzerland, Norway and Turkey in the framework of the Generalised System of Preferences (GSP) of the European Union.

BACKGROUND: in accordance with Commission Delegated Regulation (EU) 2015/2446, products obtained in Norway, Switzerland or Turkey incorporating materials which have not been wholly obtained there are to be considered as products originating in a beneficiary country, provided that such materials have undergone sufficient working or processing within the meaning of Article 45 of that Delegated Regulation (system of cumulation).

Pursuant to the same Regulation, the system of cumulation applies on condition that **Switzerland grants, by reciprocity, the same treatment** to products originating in beneficiary countries that incorporate materials originating in the Union.

In so far as Switzerland is concerned, this system of cumulation was initially put in place through an Agreement in the form of an exchange of letters between the Union and Switzerland. That exchange of letters took place on 14 December 2000, after the Council had given its approval by Decision 2001/101 /EC.

In order to ensure the application of a concept of origin corresponding to that set out in the rules of origin in the Generalised System of Preferences ("GSP") of the Union, Switzerland has modified its GSP rules of origin. Therefore, it is necessary to revise the Agreement in the form of an exchange of letters between the Union and Switzerland.

CONTENT: with this draft decision, the Council is called upon to approve an Agreement in the form of an Exchange of Letters between the European Union and Switzerland on the cumulation of origin between the EU, Switzerland, Norway and Turkey in the framework of the GSP of the European Union.

The proposal takes place in the context of the reform of the GSP rules of origin of 2010 introduced with Regulation (EU) No 1063/2010.

As a result of this reform, Turkey is integrated, under certain conditions, into the system of cumulation of origin, which used to work until then between the Union, Switzerland and Norway.

The reform also introduced a new system of certification of origin by registered exporters, the application of which is deferred until 1 January 2017.

Accordingly, in the context of the reform, goods with content of Norwegian, Turkish or Swiss origin shall be treated on their arrival on the customs territory of the Community **as goods with content of Community origin.**

The measures should enter into force on 1st January 2017.