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

2016/0329(NLE) - 20/04/2017 - Legislative proposal

PURPOSE: to approve the conclusion of an agreement in the form of an exchange of letters between the European Union and Norway on cumulation of origin between the European Union, Switzerland, Norway and Turkey in the framework of the Generalised Preferences of the European Union (GSP).

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: under Commission 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 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 (so-called 'cumulation' system).

The cumulation system shall apply provided that Norway reciprocally grants the same treatment to products originating in the beneficiary countries which incorporate materials originating in the Union.

In the case of Norway, the cumulation system was originally put in place by means of an agreement in the form of an exchange of letters between the Union and Norway. That exchange of letters took place on 29 January 2001, following the approval of the Council 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 Union’s Generalised System of Preferences (GSP), Norway amended its GSP rules of origin. Therefore, the Agreement in the form of an exchange of letters between the Union and Norway must be revised.

The rules of origin in the GSP were reformed in 2010. They provide for the implementation of a new system for the establishment of proofs of origin by registered exporters, which will apply from 1 January 2017.

In order to anticipate the application of that new system and the rules, on 8 March 2012 the Council authorised the Commission to negotiate an agreement with Norway, in the form of an exchange of letters, on the mutual acceptance of replacement certificates of origin Form A or replacement statements of origin.

The negotiations resulted in an agreement in the form of an exchange of letters between the European Union and Norway which should be approved.

CONTENT: the draft decision seeks the **approval, on behalf of the Union, of the agreement in the form of an exchange of letters between the European Union and Norway** on the cumulation of origin between the European Union, Switzerland, Norway and Turkey in the framework of the Generalised System of Preferences of the European Union.

Under the agreement, certain products with content of Norwegian, Swiss or Turkish origin are to be treated on their arrival on the customs territory of the Union as products with content of Union origin.