

DECISION OF THE EGYPT-EFTA- JOINT COMMITTEE

No. 1 of 2016

(Adopted on 16 June 2016)

AMENDMENTS TO PROTOCOL B
CONCERNING THE DEFINITION OF THE CONCEPT OF “ORIGINATING
PRODUCTS” AND METHODS OF ADMINISTRATIVE COOPERATION

THE JOINT COMMITTEE,

RECALLING the Parties' intention to participate actively in the process of economic integration in the Euro-Mediterranean region, and expressing their readiness to cooperate in seeking ways and means to strengthen this process;

RECALLING that the Pan-Euro-Mediterranean system of cumulation of origin established by the European Union, the EFTA States, the People's Democratic Republic of Algeria, the Arab Republic of Egypt, the State of Israel, the Hashemite Kingdom of Jordan, the Republic of Lebanon, the Kingdom of Morocco, the Syrian Arab Republic, the Republic of Tunisia, the PLO for the benefit of the Palestinian Authority of the West Bank and the Gaza Strip, the Republic of Turkey, the Faroe Islands, consists of a network of Free Trade Agreements that set out identical rules of origin allowing for diagonal cumulation of origin among the member countries of the system;

NOTING that the Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin (hereinafter referred to as the “Convention”) aims at replacing the protocols on rules of origin currently in force among the member countries of the Pan-Euro-Mediterranean system of cumulation of origin;

CONSIDERING that the Republic of Albania, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, Montenegro, the Republic of Serbia, as well as Kosovo (under Resolution 1244(1999) of the United Nations Security Council), are Contracting Parties of the Convention and that the Pan-Euro-Mediterranean system is thus extended to these countries;

NOTING that the Convention entered into force in relation to Liechtenstein, Norway and Switzerland on 1st January 2012, to Iceland on 1st May 2012, and to Egypt, on 1st June 2014;

CONSIDERING that the Convention shall not lead to any less favourable situation than previously under the Free Trade Agreement between Egypt and the EFTA States and (hereinafter referred to as the “Agreement”);

HAVING regard to Article 43 of the Agreement, empowering the Joint Committee to amend the Annexes and Protocols to the Agreement,

DECIDES that:

1. The text of Protocol B shall be replaced by the text in the Annex to this Decision.
2. This Decision shall enter into force on the first day of the third month after the last Party has notified the Depositary of the completion of its internal requirements.
3. The Secretary-General of the European Free Trade Association shall deposit the text of this Decision with the Depositary.

Done, at Geneva, on the 16th day of June 2016, and in two originals in the English language.

For Iceland

For the Arab Republic of Egypt

.....

.....

For the Principality of Liechtenstein

.....

For the Kingdom of Norway

.....

For the Swiss Confederation

.....

ANNEX

**PROTOCOL B CONCERNING THE DEFINITION OF THE CONCEPT OF
"ORIGINATING PRODUCTS" AND METHODS OF ADMINISTRATIVE
COOPERATION**

Article 1

Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin

1. In respect of rules of origin and administrative cooperation between the customs authorities of the Parties, Appendix I and the relevant provisions of Appendix II of the Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin (hereinafter referred to as the "Convention"), including its Annexes, shall apply and are hereby incorporated into and made part of the Agreement, *mutatis mutandis*.
2. Article 41 of the Agreement shall apply with respect to the settlement of any disputes concerning the interpretation of Appendix I to the Convention.

Article 2

Withdrawal from the Convention

1. If a Party withdraws from the Convention, it shall immediately notify the other Parties and enter into negotiations on new rules of origin applicable to this Agreement.
2. Until new rules enter into force, Appendix I of the Convention, including its Annexes, as in force at the time of export, shall continue to apply to this Agreement, *mutatis mutandis*, allowing for cumulation only between the Parties.

Article 3

Transitional provisions

Provided that paragraph 5 of Article 3 of Appendix I of the Convention is fulfilled, it is understood that diagonal cumulation may be applied between Contracting Parties to the Convention, regardless whether the Convention is applicable to them or not.
