ANNEX A¹ Rules of origin and administrative cooperation (Art. 5)

Article 1

Applicable rules of origin

- 1. With respect to the rights and obligations of the Member States concerning rules of origin and administrative cooperation between the customs authorities of the Member States, Appendix I and the relevant provisions of Appendix II to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin (PEM Convention), as it may be subsequently amended, shall apply and are hereby incorporated into and made part of the EFTA Convention, *mutatis mutandis*, without prejudice to Article 15 of the PEM Convention.
- 2. All references to the 'relevant agreement' in Appendix I and in the relevant provisions of Appendix II to the PEM Convention shall be construed so as to mean the EFTA Convention.

Article 2

Alternative applicable rules of origin

- 1. Notwithstanding Article 1, for the purpose of implementing the EFTA Convention, products which acquire preferential origin in accordance with the provisions set out in Appendix A to this Annex ('alternative rules') shall also be considered as originating in a Member State.
- 2. The alternative rules shall apply until the amendment of the PEM Convention enters into force.

Article 3

Dispute settlement

Chapter XVII of the EFTA Convention shall apply with respect to the settlement of any disputes concerning the interpretation and application of Appendix I and the relevant provisions of Appendix II to the PEM Convention.

Article 4

Withdrawal from the PEM Convention

- 1. If a Member State withdraws from the PEM Convention, it shall immediately notify the other Member States and enter into negotiations on new rules of origin for the purpose of the EFTA Convention.
- 2. Until the entry into force of such newly negotiated rules of origin, the rules of origin contained in Appendix I and, where appropriate, the relevant provisions of Appendix II to the PEM Convention,

¹ Amended by Council Decision No 2/2019 of 14 May 2019 and Council Decision No 6/2020 of 8 December 2020, e.i.f 1 November 2021.

applicable at the moment of withdrawal, shall continue to apply and the alternative rules may continue to apply to the EFTA Convention. However, as of the moment of withdrawal, the rules of origin contained in Appendix I and, where appropriate, the relevant provisions of Appendix II to the PEM Convention and in the alternative rules shall be construed so as to allow bilateral cumulation only between the withdrawing Member State and each of the other Member States.

Article 5

Transitional provisions

Until the application of the revised rules of the PEM Convention and notwithstanding paragraph 5 of Article 16 and paragraph 3 of Article 21 of Appendix I to the PEM Convention, where cumulation involves only EFTA States, the Faroe Islands, the European Union, Turkey, the participants in the Stabilisation and Association Process, Moldova, Georgia, and Ukraine the proof of origin may be a movement certificate EUR.1 or an origin declaration.

Article 6

Electronically issued movement certificates EUR.1

- 1. As an alternative to the provisions regarding the issuance of movement certificates, the Member States shall accept electronically issued movement certificates EUR.1. Considering the digitalised system to issue movement certificates EUR.1, the formal requirements of electronically issued movement certificates EUR.1 are stated in Paragraph 3. The customs authorities of the exporting and the importing Member State may agree on other formal requirements of electronically issued movement certificates EUR.1.
- 2. Each exporting Member State shall inform the EFTA Secretariat about the readiness of the issuance of electronic movement certificates EUR.1 and all technical issues related to such implementation (issuance, submission and verification of an electronic certificate).
- 3. If agreed by the customs authorities of the exporting and importing Member State, paragraphs 1 and 2 of Annex IIIa to the PEM Convention shall not apply if the movement certificate is issued and validated electronically, and the following applies:
 - a) ink stamps used by the customs or competent governmental authorities for the validation of the movement certificate EUR.1 (Box 11) may be replaced with an image or electronic stamps;
 - b) Boxes 11 and 12 may contain facsimile or electronic signatures instead of original signatures;
 - c) the information in Box 11 concerning the form and number of the export document shall be indicated only where requested by the regulations of the exporting Member State;
 - d) it shall bear a serial number or a code by which it can be identified; and
 - e) it may be issued in any of the official languages of the Member States or in English.