

## **ANNEX I**

**REFERRED TO IN ARTICLE 2.4**

**RULES OF ORIGIN AND ADMINISTRATIVE COOPERATION**



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##### ARTICLE 1

###### ***Applicable Rules of Origin***

1. For the purposes of implementing the Agreement, Appendix I and the relevant provisions of Appendix II to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin (the Convention), as it may be subsequently amended, apply and are hereby incorporated into and made part of the Agreement, *mutatis mutandis*.
2. All references to the relevant agreement in Appendix I and in the relevant provisions of Appendix II to the Convention shall be construed so as to mean the Agreement.

##### ARTICLE 2

###### ***Full Cumulation***

1. Working or processing carried out in a party to the Central European Free Trade Agreement (CEFTA Party) shall be considered as having been carried out in an EFTA State when the products obtained undergo subsequent working or processing in an EFTA State. Where, pursuant to this Article, the originating products are obtained in two or more of the Parties concerned, they shall be considered as originating in an EFTA State only if the working or processing goes beyond the provisions in the Convention concerning insufficient working or processing.
2. Working or processing carried out in an EFTA State shall be considered as having been carried out in a CEFTA Party when the products obtained undergo subsequent working or processing in a CEFTA Party. Where, pursuant to this Article, the originating products are obtained in two or more of the Parties concerned, they shall be considered as originating in a CEFTA Party only if the working or processing goes beyond the provisions in the Convention concerning insufficient working or processing.
3. The cumulation provided for in this Article may only be applied provided that a preferential trade agreement in accordance with Article XXIV of the GATT 1994 is applicable between the countries and territories involved in the acquisition of the originating status and the country or territory of destination.

### ARTICLE 3

#### ***Prohibition of Drawback of, or of Exemption from, Customs Duties***

The prohibition in Appendix I to the Convention of drawback of, or exemption from, customs duties, shall not apply in bilateral trade between the Parties to this Agreement.

### ARTICLE 4

#### ***Dispute Settlement***

1. Chapter 8 (Dispute Settlement) of the Agreement shall apply with respect to the settlement of any disputes concerning the interpretation or application of Appendix I and the relevant provisions of Appendix II to the Convention, including their annexes.
2. In all cases the settlement of disputes between the importer and the customs authorities of the importing Party shall take place under the domestic laws and regulations of that Party.

### ARTICLE 5

#### ***Withdrawal from the Convention***

1. If a Party notifies the Depositary of the Convention in writing of its intention to withdraw from the Convention according to Article 9 thereof, the Parties shall immediately enter into negotiations on rules of origin for the purpose of implementing the Agreement.
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 Convention, applicable at the moment of withdrawal, shall continue to apply to the Agreement. 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 Convention shall be construed so as to allow bilateral cumulation only between the withdrawing Party and the other Parties.

### ARTICLE 6

#### ***Electronically issued proofs of origin***

1. Proofs of origin may be issued and/or submitted electronically.
2. The Parties shall accept movement certificates issued electronically when submitted at importation provided that:
  - (a) The movement certificates issued electronically have a similar form as the specimen described in the Convention;

- (b) The customs authorities of the exporting Party provide for a secured online internet-based system to verify the authenticity of movement certificates issued electronically;
- (c) The movement certificates issued electronically bear a unique serial number, and, if available, security features by which they can be identified; and
- (d) The date from which a Party starts the issuance of electronic movement certificates is specified in the notices published in the Official Journal of the European Union (C series) and it is published in the Party according to its own procedure. The acceptance of the movement certificates issued electronically shall apply from the date indicated in those notices.

3. A Party may decide to suspend the acceptance of movement certificates issued electronically where the conditions listed under paragraph 2 are not fulfilled, and shall, in that case, inform the other Parties thereof in advance. In that case, notices as referred to under paragraph 2(d), shall indicate the starting date of the suspension.

4. For the purpose of administrative cooperation, the Parties may decide to assist each other through electronic means.

5. Each Party shall notify the European Commission concerning the entry into force of this Article. Notices indicating the application of this Article shall be published in an official publication in the Parties, in accordance with their own procedures.

6. The provisions of paragraphs 1 to 5 shall remain applicable until the Parties may agree to use a pan-Euro-Mediterranean digital environment for proofs of origin developed with the other contracting parties to the Convention that allows proofs of origin to be issued and/or submitted electronically.

7. Paragraphs 1 to 6 of this Article shall apply until equivalent provisions are adopted under the Convention.