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PROPOSAL

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	12 October 2023
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

No. Cion doc.:	COM(2023) 579 final ANNEX
Subject:	ANNEX to the Proposal for a Council Decision on the position to be taken on behalf of the European Union within the Joint Committee established by the Regional Convention on pan-Euro-Mediterranean preferential rules of origin as regards the adoption of a recommendation on the use of movement certificates issued electronically

Delegations will find attached document COM(2023) 579 final ANNEX.

Encl.: COM(2023) 579 final ANNEX



EUROPEAN
COMMISSION

Brussels, 12.10.2023
COM(2023) 579 final

ANNEX



ANNEX

to the

Proposal for a Council Decision

on the position to be taken on behalf of the European Union within the Joint Committee established by the Regional Convention on pan-Euro-Mediterranean preferential rules of origin as regards the adoption of a recommendation on the use of movement certificates issued electronically

[Draft] RECOMMENDATION No .../...
**OF THE JOINT COMMITTEE OF THE REGIONAL CONVENTION ON PAN-
EURO-MEDITERRANEAN PREFERENTIAL RULES OF ORIGIN**

of ...

as regards the use of movement certificates issued electronically

THE JOINT COMMITTEE,

Having regard to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin, and in particular to Article 4(1) and Article 4(2) (b) thereof,

Whereas:

- (1) Beginning of the year 2020 the Contracting Parties to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin (the PEM Convention) were informed by the European Commission services about the impossibility faced by a majority of trading partners to provide movement certificates for preferential origin purposes in due form (i.e. hand written signed, wet ink stamped or in the right paper format), as in a number of Contracting Parties contacts between customs administrations and economic operators had been suspended due to the COVID-19 pandemic.
- (2) A vast majority of Contracting Parties considered it appropriate to adopt exceptional measures to ensure the full implementation of the preferential trade arrangements covered by the PEM Convention. These exceptional measures were applicable on a reciprocal basis by the trading partners that were interested, making use of the relevant provisions in the rules of origin of the arrangements.
- (3) During the COVID-19 pandemic, some Contracting Parties developed or adapted existing electronic systems issuing certificates electronically to balance the need for flexibility with the compliance with the requirements on the format of the movement certificates described in Appendix I to the PEM Convention, in particular in Article 16(2), and in Annex III a and Annex III b.
- (4) Customs authorities were invited to accept movement certificates for preferential purposes, issued electronically with a digital signature, stamp or cachet of the competent authorities, or a copy in paper or electronic form (scanned or available on-line).
- (4) This practice was based on the use of the flexibility provided for by Article 24 of Appendix I to the PEM Convention concerning the submission of proofs of origin. This provision establishes that proofs of origin shall be submitted to the customs authorities of the importing country (or territory) in accordance with the procedures applicable in that country.
- (6) One Contracting Party requested to maintain the status quo of the flexibility introduced by these exceptional measures in order for the economic operators to benefit from a digitalization of movement certificates.

- (7) The Joint Committee was informed of this request during its meeting on 16 June 2022.
- (8) The Contracting Parties acknowledge the benefit of the experience of preferential trade under the exceptional measures adopted because of the COVID-19 pandemic.
- (9) The Contracting Parties affirm their commitment to continue the good practices introduced under the exceptional measures during the COVID-19 pandemic, recognise the importance of introducing electronic means and work together towards a common system based on electronic proofs of origin and electronic administrative cooperation within the PEM region.
- (10) Systems designed for electronic issuance of movement certificates should offer the possibility for customs authorities to check instantly their authenticity.
- (11) The Contracting Parties consider that moving to a system that issues movement certificates electronically and provides for electronic administrative cooperation under the framework of the PEM Convention constitutes the first steps towards a full digitalisation of proofs of origin at the scale of the PEM zone, especially in the view of the forthcoming adoption of the revised PEM Convention.
- (12) Since 1 September 2021, a network of bilateral protocols on rules of origin among Contracting Parties to the PEM Convention have already entered into force rendering the Transitional rules applicable¹. These rules enable the use of movement certificates issued electronically. Pending the adoption of the revised PEM Convention among all Contracting Parties, the Transitional rules are applicable in parallel with the PEM Convention.
- (13) To ensure consistency among the two sets of rules of origin applicable in parallel and pending the adoption of the revised PEM Convention which will replace both sets of rules of origin, it is appropriate to recommend the acceptance of movement certificates issued electronically, under the framework of the PEM Convention,

HAS ADOPTED THIS RECOMMENDATION:

The Contracting Parties should 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 Annex III a and III b of the Appendix I to the PEM Convention;
- (b) the customs authorities of the exporting Contracting Party provide for a secured online web-based system to verify the authenticity of movement certificates issued electronically where the printing instructions described in Annex III a and III b are not fulfilled (e.g. lack of printed green guilloche pattern background, wet ink stamp, handwritten signature);
- (c) the movement certificates issued electronically bear a unique serial number, and, if available, security features by which it can be identified; and
- (d) the date from which a Contracting Party starts the issuance of electronic movement certificates is published in notices in the Official Journal of the

¹ OJ C 51, 10.2.2023, p. 1

European Union (C series) and according to own procedures in the Contracting Parties.

A Contracting Party may decide to suspend the acceptance of movement certificates issued electronically where the conditions listed above are not fulfilled and shall in advance inform the other Contracting Parties through the secretariat of the PEM Joint Committee. In that case, notices as referred to under point “d.” shall indicate the starting date of the suspension.

Done at [Brussels], [29 November 2023],

*For the Joint Committee
The Chair*