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6075/23

Interinstitutional File: 2023/0019(NLE)

> **POLCOM 22 UD 27** COASI 24 **ASIE 15**

LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: COUNCIL DECISION on the position to be taken on behalf of the

European Union within the Trade Committee established

under the Free Trade Agreement between the European Union and the Socialist Republic of Viet Nam, as regards the amendment of Protocol 1 concerning the definition of the concept of 'originating products' and

methods of administrative cooperation

EN

COUNCIL DECISION (EU) .../...

of ...

on the position to be taken on behalf of the European Union within the Trade Committee established under the Free Trade Agreement between the European Union and the Socialist Republic of Viet Nam, as regards the amendment of Protocol 1 concerning the definition of the concept of 'originating products' and methods of administrative cooperation

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207(4), first subparagraph, in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

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Whereas:

- (1) The Free Trade Agreement between the European Union and the Socialist Republic of Viet Nam¹ ('the Agreement') was concluded by the Union by Council Decision (EU) 2020/753² and entered into force on 1 August 2020.
- Pursuant to Article 36 of Protocol 1 to the Agreement ('Protocol 1'), the Committee on Customs may review the provisions of Protocol 1 and submit a proposal for a decision to be adopted by the Trade Committee.
- (3) Pursuant to Article 17.1 of the Agreement, the Trade Committee is to evaluate and adopt decisions, where provided for in the Agreement, regarding any subject matter referred to it by the Committee on Customs.
- (4) The Trade Committee is to adopt a Decision amending Annex II to Protocol 1.
- (5) Amendments were introduced on 1 January 2017 and on 1 January 2022 in relation to the nomenclature governed by the Convention on the Harmonized Commodity Description and Coding System ('HS'). This Decision is necessary in order to update Protocol 1 and its annexes so as to reflect the latest version of the HS.

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OJ L 186, 12.6.2020, p. 3.

Council Decision (EU) 2020/753 of 30 March 2020 on the conclusion of the Free Trade Agreement between the European Union and the Socialist Republic of Viet Nam (OJ L 186, 12.6.2020, p. 1).

- (6) There is no condition in Annex II to Protocol 1 for considering knitted or crocheted products of Heading 6212 to be sufficiently worked or processed. The rule of Chapter 62 in Annex II to Protocol 1 cannot be applied to those products, since it is limited to products not knitted or crocheted. Therefore, a specific rule should be added for the knitted or crocheted products of Heading 6212.
- (7) The required working or processing of products classified in Chapter 41 in Annex II to Protocol 1 is to be added to the relevant column in that Annex.
- (8) The word 'individual' in the third and fourth conditions of the required working or processing of products classified in Chapter 19 in Annex II to Protocol 1 could be interpreted in different ways as regards the content of materials of Chapter 4 and the content of sugar. To clarify the rule, the word 'individual' is to be deleted in both instances.
- (9) For textile products classified in Chapter 62 in Annex II to Protocol 1, reference to the tolerances should be inserted in the various alternative rules of the required working or processing column.
- (10) It is appropriate to establish the position to be taken on the Union's behalf in the Committee on Customs and in the Trade Committee, as the Decision of the Trade Committee will be binding on the Union.
- (11) The position of the Union within the Committee on Customs and within the Trade Committee should therefore be based on the attached draft Decision,

HAS ADOPTED THIS DECISION:

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Article 1

The position to be taken on the Union's behalf within the Committee on Customs and within the Trade Committee shall be based on the draft Decision of the Trade Committee attached to this Decision.

Minor technical corrections to the draft Decision may be agreed by the representatives of the Union within the Committee on Customs and within the Trade Committee without any further decision of the Council.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels,

For the Council The President