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*Committee on Foreign Affairs*

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**2010/0093(NLE)**

23.6.2011

## **DRAFT OPINION**

of the Committee on Foreign Affairs

for the Committee on International Trade

On the Proposal for a Council Decision on the conclusion of the regional  
Convention on pan-Euro-Mediterranean preferential rules of origin  
(COM(2010)0172 – C7-000/2011 – 2010/0093(NLE))

Rapporteur for the opinion: Vincent Peillon

PA\_Leg\_Consent

## SHORT JUSTIFICATION

The rules of origin are criteria making it possible to determine the country of origin of a product, therefore affecting the rights and preferences applicable to it. The Convention on pan-Euro-Mediterranean preferential rules of origin lays down provisions on the origin of goods traded under the relevant trade agreements concluded between the following parties: the European Union, the participants in the Barcelona Process (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Syria, Tunisia, Turkey and the Palestinian Authority), the EFTA States (Iceland, Norway, Switzerland and Liechtenstein), the Faroe Islands and the participants in the Stabilisation and Association Process (Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro and Serbia, as well as Kosovo under UNSC Resolution 1244/99).

The Council decision is essentially a rationalisation exercise seeking to replace the current network of more than 100 bilateral protocols on the rules of origin with a regional convention. While the existing arrangements mean that any change to an existing protocol between two member countries of the pan-Euro-Mediterranean area requires a similar change to all the others, **the creation of this single legal instrument will make it easier in future to carry out the necessary reviews and updates of the rules.**

**In adopting this Convention, the aim is also to extend the pan-Euro-Mediterranean system of cumulation of preferential origin to the countries of the Western Balkans, and will facilitate any future enlargement of the EU.**

Finally, this revision is inspired by a wish to combat the under-use by Southern economic actors of the trade preferences accorded to them by the EU. Facilitating use of the cumulation of origin will make it possible to improve access for products from Mediterranean third countries to the Community market and to stimulate trade between the countries of the Southern and Eastern Mediterranean, thus helping to alleviate the lack of economic integration of the Euro-Mediterranean region, given that **intensifying this integration has been a major objective of the EU's Euro-Mediterranean policy since the Barcelona Process.**

In line with its consistent support for the extension and simplification of this pan-Euro-Mediterranean system, Parliament considers that if this Convention is concluded, as our partners in the Southern and Eastern Mediterranean wish, this will be a step in the right direction and will enable the EU to send for the first time a clear message of openness to trade following the Arab Spring and as part of the reshaping of Europe's Neighbourhood Policy.

Parliament regrets, however, the persistence of the political and commercial barriers which hold back 'South-South' trade and stresses that the beneficial effects of the entry into force of this Convention can only have their full effect as part of a close mesh of bilateral trade agreements among all the partners of the Southern and Eastern shores of the Mediterranean.

Parliament also recalls that it is essential in the interest of keeping the system in equilibrium for each signatory exporting country to apply uniformly and correctly the provisions on administrative cooperation and issuance of certificates of origin, and for each importing

country to have sufficient technical, budgetary and IT resources at its disposal to carry out effective customs inspections so as to avoid any abuse of the preference system. In this connection, Parliament is concerned about allegations of irregularities in the arrangements for the implementation of Protocol 4 to the EU-Israel Association Agreement concerning products originating in the Israeli settlements, and calls on the Commission to provide Parliament and the Council with an in-depth study of the situation, together with proposals if necessary.

Finally, Parliament hopes that the conclusion of this agreement will be rapidly **followed by the modernisation of the pan-Euro-Mediterranean rules of origin** and by more ambitious moves in the EU's trade policy towards our Mediterranean partners seeking to take greater account of their interests and provide them with assurances that they can remain in charge of the pace at which they open up to trade and of their national economic and social development strategies.

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The Committee on Foreign Affairs calls on the Committee on International Trade, as the committee responsible, to propose that Parliament gives its consent.