

II

(Acts adopted under the EC Treaty/Euratom Treaty whose publication is not obligatory)

DECISIONS

COUNCIL

DECISION No 1/2007 OF THE EU-MEXICO JOINT COMMITTEE

of 14 June 2007

relating to Annex III to Decision No 2/2000 of the EU-Mexico Joint Council of 23 March 2000, concerning the definition of the concept of 'originating products' and methods of administrative cooperation

(2007/676/EC)

THE JOINT COMMITTEE,

Having regard to Decision No 2/2000 of the EU-Mexico Joint Council of 23 March 2000 ⁽¹⁾ (hereinafter 'Decision No 2/2000'), and in particular its Annex III concerning the definition of the concept of 'originating products' and methods of administrative cooperation,

Whereas:

- (1) Annex III to Decision No 2/2000 sets out the rules of origin for the products originating in the territory of the Parties to the Agreement.
- (2) According to Joint Declaration V to Decision No 2/2000, the Joint Committee shall review the necessity to extend beyond 30 June 2003 the application of the rules established in Notes 2 and 3 of Appendix II(a), if the economic conditions which formed the basis for establishing the rules set out in those Notes continue. On 22 March 2004 the Joint Committee adopted Decision No 1/2004 of the EU-Mexico Joint Committee ⁽²⁾ extending the application of the rules of origin established in Notes 2 and 3 of Appendix II(a) to Annex III to Decision No 2/2000 until 30 June 2006.
- (3) It is considered appropriate to extend once again, on a temporary basis, the application of the rules of origin

established in Notes 2 and 3 of Appendix II(a) to Annex III to Decision No 2/2000, thereby ensuring the continuity of application of the mutual advantages provided for under that Decision.

- (4) According to Joint Declaration VI to Decision No 2/2000, the Joint Committee shall extend beyond 31 December 2002 the rules of origin established in Note 4 of Appendix II(a) to Annex III to Decision No 2/2000 until the current round of multilateral negotiations within the World Trade Organisation (WTO) has finished.
- (5) By Decision No 1/2002 of the EU-Mexico Joint Committee of 20 December 2002 ⁽³⁾, the application of the rules of origin established in Note 4 of Appendix II(a) to Annex III to Decision No 2/2000 was extended until 31 December 2004. The WTO negotiations have not been concluded to date and it is thus necessary to extend once again the application of these rules of origin, thereby ensuring the continuity of application of the mutual advantages provided for under Decision No 2/2000.
- (6) The management method currently used to allocate the annual quotas set out in Appendix II to Annex III to Decision No 2/2000 for products classified in HS (Harmonised System) headings 5208 to 5212, 5407 and 5408, 5512 to 5516, 5801, 5806 and 5811 exported from the Community to Mexico should be changed from the present auction system to a 'first come, first served' basis in order to simplify access to such quotas and bring about a higher utilisation rate.

⁽¹⁾ OJ L 157, 30.6.2000, p. 10 and OJ L 245, 29.9.2000, p. 1 (Annexes). Decision as last amended by Decision No 3/2004 of the EU – Mexico Joint Council (OJ L 293, 16.9.2004, p. 15).

⁽²⁾ OJ L 113, 20.4.2004, p. 60.

⁽³⁾ OJ L 44, 18.2.2003, p. 97.

- (7) The management method currently used to allocate the annual quotas set out in Note 9 of Appendix II(a) to Annex III to Decision No 2/2000 for products classified in HS headings 6402 to 6404 exported from the Community to Mexico should be changed from the present auction system to a 'first come, first served' basis in order to simplify access to such quotas and bring about a higher utilisation rate.
- (8) The rule of origin set out in Appendix II to Annex III to Decision No 2/2000 for products classified in HS heading 1904 should be amended to allow the use of non-originating *Zea indurata* maize in the manufacture of products of this heading.
- (9) The rule of origin set out in Appendix II to Annex III to Decision No 2/2000 for products classified in HS heading 7601 should be amended to allow the acquisition of origin through different manufacturing processes,

HAS DECIDED AS FOLLOWS:

Article 1

The rules of origin set out in Notes 2 and 3 of Appendix II(a) to Annex III to Decision No 2/2000 shall apply until 30 June 2009 instead of the rules of origin set out in Appendix II to Annex III to that Decision.

Article 2

The rules of origin set out in Note 4 of Appendix II(a) to Annex III to Decision No 2/2000 shall apply until the conclusion of the present round of WTO negotiations instead of the rules of origin set out in Appendix II to Annex III to that Decision.

Article 3

1. The text of the footnotes in Appendix II to Annex III to Decision No 2/2000 referring to products classified in HS headings 5208 to 5212, 5407 and 5408, 5512 to 5516, 5801, 5806 and 5811 shall be replaced by the text contained in Annex I to this Decision.

2. A new Note 13 shall be added to Appendix II(a) to Annex III to Decision No 2/2000, the text of which is contained in Annex I to this Decision.

Article 4

The text of Note 9 of Appendix II(a) to Annex III to Decision No 2/2000 shall be replaced by the text contained in Annex II to this Decision.

Article 5

The rule of origin set out in Appendix II to Annex III to Decision No 2/2000 for products classified in HS heading 1904 shall be replaced by the text contained in Annex III to this Decision.

Article 6

The rule of origin set out in Appendix II to Annex III to Decision No 2/2000 for products classified in HS heading 7601 shall be replaced by the text contained in Annex IV to this Decision.

Article 7

This Decision shall enter into force on the date the Parties exchange written notifications certifying the completion of their respective legal procedures.

Article 1 shall apply from 1 July 2006.

Article 2 shall apply from 1 January 2005.

Done at Brussels, 14 June 2007.

For the Joint Committee
Tomás DUPLÁ DEL MORAL

ANNEX I

(Referred in Article 3)

Text of the footnotes in Appendix II to Annex III to Decision No 2/2000 referring to products classified in HS headings 5208 to 5212, 5407 and 5408, 5512 to 5516, 5801, 5806 and 5811

Footnote to HS headings 5208 to 5212

The printing rule shall apply only to exports from the EC to Mexico for an aggregate annual quota of 2 000 000 m². This quota will be allocated on a 'first come, first served' basis by Mexico. See Note 13 to Appendix II(a).

Footnote to HS headings 5407 and 5408

The printing rule shall apply only to exports from the EC to Mexico for an aggregate annual quota of 3 500 000 m². This quota will be allocated on a 'first come, first served' basis by Mexico. See Note 13 to Appendix II(a).

Footnote to HS headings 5512 to 5516

The printing rule shall apply only to exports from the EC to Mexico for an aggregate annual quota of 2 000 000 m². This quota will be allocated on a 'first come, first served' basis by Mexico. See Note 13 to Appendix II(a).

Footnote to HS headings 5801, 5806 and 5811

For HS headings 5801, 5806 and 5811, the printing rule shall apply only to exports from the EC to Mexico for an aggregate annual quota of 500 000 m². This quota will be allocated on a 'first come, first served' basis by Mexico. See Note 13 to Appendix II(a).

Text of Note 13 of Appendix II(a) to Annex III to Decision No 2/2000

Note 13

Mexico shall allocate the benefit of the annual quotas set out in Appendix II for products classified in HS headings 5208 to 5212, 5407 and 5408, 5512 to 5516, 5801, 5806 and 5811 on a 'first come, first served' basis.

The Joint Committee shall review in 2009 the annual quotas to adjust them in the light of the experience in managing them and the bilateral trade flows.

ANNEX II

(Referred in Article 4)

Text of Note 9 of Appendix II(a) to Annex III to Decision No 2/2000

Note 9

For HS headings 6402, 6403 and 6404:

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3)	or (4)
6402 to 6404	Footwear of plastics, leather and textiles	Manufacture from materials of any heading, except from assemblies of uppers affixed to inner soles or to other sole components of heading 6406	

This rule shall confer origin only to goods exported by the EC to Mexico within the following annual quotas for each heading:

6402	120 000 pairs
6403, only for pairs with a customs value over USD 20	250 000 (women's pairs) 250 000 (men's pairs) 125 000 (children's pairs)
6404	120 000 pairs

Mexico shall allocate the benefit of these annual quotas on a 'first come, first served' basis.

The Joint Committee shall review in 2009 the conditions established in this Note to adjust it in the light of the quota management experience with a view to allowing effective use of the trading opportunities offered.

ANNEX III

(Referred in Article 5)

Rule of origin set out in Appendix II to Annex III to Decision No 2/2000 for products classified in HS heading 1904

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3)	or (4)
1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals (other than maize (corn)) in grain form or in the form of flakes or other worked grains (except flour, groats and meal); precooked, or otherwise prepared, not elsewhere specified or included	Manufacture: — from materials not classified within heading 1806, — in which all the cereals and flour (except durum wheat and <i>Zea indurata</i> maize, and their derivatives) used must be wholly obtained, — in which the value of any materials of Chapter 17 used does not exceed 30 % of the ex-works price of the product	

ANNEX IV

(Referred in Article 6)

Rule of origin set out in Appendix II to Annex III to Decision No 2/2000 for products classified in HS heading 7601

HS heading	Description of product	Working or processing carried out on non-originating materials that confers originating status	
(1)	(2)	(3)	or (4)
7601	Unwrought aluminium	Manufacture: — from materials of any heading, except that of the product, and — in which the value of all the materials used does not exceed 50 % of the ex-works price of the product or Manufacture by thermal or electrolytic treatment from unalloyed aluminium or waste and scrap of aluminium	