



Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	2005/0254(COD) Procedure lapsed or withdrawn
Imports: indication of the country of origin of certain products	
Subject 6.20.04 Union Customs Code, tariffs, preferential arrangements, rules of origin 6.30.01 Generalised scheme of tariff preferences (GSP), rules of origin	

Key players	
European Parliament Council of the European Union European Commission	Commission DG <u>Trade</u> Commissioner DE GUCHT Karel

Key events			
15/12/2005	Legislative proposal published	COM(2005)0661	Summary
02/12/2009	Additional information		Summary
21/04/2010	Committee referral announced in Parliament, 1st reading		
29/09/2010	Vote in committee, 1st reading		Summary
06/10/2010	Committee report tabled for plenary, 1st reading	A7-0273/2010	
20/10/2010	Debate in Parliament		
21/10/2010	Results of vote in Parliament		
21/10/2010	Decision by Parliament, 1st reading	T7-0383/2010	Summary
16/04/2013	Proposal withdrawn by Commission		Summary

Technical information	
Procedure reference	2005/0254(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	Treaty on the Functioning of the EU TFEU 207-p2
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure lapsed or withdrawn
Committee dossier	INTA/7/02414

Documentation gateway					
Legislative proposal		COM(2005)0661	16/12/2005	EC	Summary
Document attached to the procedure		SEC(2005)1657	16/12/2005	EC	
Committee draft report		PE443.133	02/07/2010	EP	
Committee report tabled for plenary, 1st reading/single reading		A7-0273/2010	06/10/2010	EP	
Text adopted by Parliament, 1st reading/single reading		T7-0383/2010	21/10/2010	EP	Summary
Commission response to text adopted in plenary		SP(2010)8657/2	09/12/2010	EC	

Additional information	
European Commission	EUR-Lex

Imports: indication of the country of origin of certain products

PURPOSE: to lay down rules on the indication of the country of origin of certain products imported into the Community from third countries.

PROPOSED ACT: Council Regulation.

BACKGROUND: in December 2003, the Commission submitted to the Council a working document on a possible EU origin marking scheme, following a renewed interest shown on the subject by some Member States and some sectors. The Member States and the sectors in question were expressing a growing concern over the mounting incidence of misleading and/or fraudulent origin marks being carried by imported products.

In the first half of 2004, the Commission launched a consultation process on this question involving the main stakeholders - industry, trade unions, consumers and other institutions - the results of which were discussed in the Council by a specific committee.

Based on the results of that consultation process, the draft Regulation proposes the introduction of a compulsory origin marking scheme covering a number of sectors which see benefit in the initiative and applicable to imported goods only.

At present, the European Community has no legislation on the use of origin marking (?made in?) for industrial products. [Directive 2005/29/EC](#) aiming to harmonise in-market control of unfair commercial practices also addresses instances of a misleading use of origin indications. However, this directive does not define the meaning of ?made in?; nor does it enable controls by customs authorities. Rules on the voluntary use of origin marks which exist in some Member States also differ. The current situation puts the EC at a disadvantage vis-à-vis its trading partners (e.g. Canada, China, Japan and the US) who require origin marking for imports. It deprives EC producers of origin-sensitive consumer goods to realise benefits associated with producing within the European Community, and an opportunity is missed to more effectively prevent false/or misleading origin claims. This draft regulation aims to address these shortcomings.

LEGAL BASE: Article 133 of the Treaty establishing the European Community.

CONTENT: this proposal seeks to lay down rules and conditions applicable to the indication of origin of goods imported or placed on the Community market.

Its main provisions may be summarised as follows:

Definition of country of origin: the regulation opts for a definition of the country of origin based on the EC non-preferential rules of origin, as applied for other customs purposes. The application of the EC non-preferential rules of origin to origin marking issues is consistent with EC's commitments derived from the WTO Agreement on rules of origin.

Scope: this Regulation should apply to imported industrial products, excluding fishery and aquaculture products as defined in [Council Regulation \(EC\) No 104/2000](#) on the common organisation of the markets in fishery and aquaculture products, and also excluding foodstuff as defined in [Regulation \(EC\) No 178/2002 of the European Parliament and of the Council](#) laying down the general principles and requirements of food law, establishing the European Food Safety Authority. Goods that require marking are those listed in the Annex to this draft Regulation, and imported from third countries, except for goods originating in the Territory of the European Communities, Bulgaria, Romania, Turkey, and the Contracting Parties of the EEA Agreement.

Goods in travellers? personal luggage for personal use should be exempted from the application of this draft Regulation within the limits laid down in respect of relief from customs duty.

Goods may also be exempted from origin marking, when for technical or commercial reasons, it appears impossible to mark them.

Origin marking requirements: in order to reduce the burden of the new scheme as much as possible, the Regulation limits the requirements and conditions to mark the products to the minimum needed to make sure that the origin mark is easily detected and understood by the consumer, but at the same time not easily replaced or faked. The origin marking shall appear in clearly legible and indelible characters, it shall be visible during normal handling, markedly distinct from other information, and be presented in a way which is not misleading nor likely to create an erroneous impression with regard to the origin of the product. As to the language version, the Regulation gives the option of using the words ?made in? or other similar expressions in any official language of the European Community, understood by the ultimate purchaser.

Possibility to extend the marking system to other sectors by the Commission: recognising that the specific means of fixing a mark of origin may depend on the type of product, the draft Regulation entitles the Commission to further regulate this aspect. Considering also that other sectors could be interested in joining the origin marking scheme, or that origin marking may prove less relevant for others, the Regulation would also entitle the Commission to include or to suppress sectors.

Penalties: the Member States shall lay down the rules on penalties applicable to infringements of the provisions of this regulation. The penalties provided for must be effective, proportionate and dissuasive. Where goods are not in compliance with this Regulation, Member States shall adopt the measures necessary to require the owner of the goods or any other person responsible for them to mark these goods in accordance with this Regulation and at their own expense.

FINANCIAL IMPACT: the proposal has no financial impact on the EU budget.

Imports: indication of the country of origin of certain products

The Lisbon Treaty, which entered into force on 1 December 2009, amended the EU's two core treaties, the Treaty on European Union (TEU) and the Treaty establishing the European Community (EC Treaty). The latter was renamed the Treaty on the Functioning of the European Union (TFEU).

These changes had various consequences for many proposals presented by the Commission, on the basis of the "old" treaties, before that date. For more information, see [COM \(2009\)0665](#). In some cases, a new legal framework was conferred on certain proposals that had not previously been subject to the interinstitutional decision-making process. The European Parliament would now be involved in any decision on those proposals.

The proposal in this procedure file is one such case. It was previously based on Article 133 of the EC Treaty, under which the Commission submitted proposals to the Council for implementing the common commercial policy. It now falls under Article 207(2) of the TFEU, under which the European Parliament and the Council adopt measures, under the ordinary legislative procedure (formerly known as the "codecision" procedure), defining the framework for implementing this policy.

Imports: indication of the country of origin of certain products

The Committee on International Trade adopted the report by Cristiana MUSCARDINI (EPP, IT) on the proposal for a Council Regulation on the indication of the country of origin of certain products imported from third countries.

It recommended that the European Parliament's position at first reading under the ordinary legislative procedure (formerly known as the codecision procedure) should be to amend the Commission proposal as follows:

Limitation of the scope to apply to end consumer products: Members suggest that the regulation should apply to end consumer products rather than industrial products, as proposed by the Commission. These products are those which are listed in the Annex to the draft Regulation, and imported from third countries, except for products originating in the Territory of the European Union (and not the Community), Turkey, and the EEA.

Possibility to extend the scope of the Regulation to other products, subject to Parliament's approval: as in the initial proposal, the scope of this Regulation can be extended by the Commission to other products, subject to the approval of the European Parliament and the Council. Members call for the establishment of updated comitology rules for the extension of the Regulation's scope in accordance with the procedure set out in Article 6 paragraphs 1, 2 and 3 laying down the comitology rules applicable. The Commission may adopt by means of delegated acts measures to determine cases in which marking on the packaging shall be accepted in lieu of marking on the goods themselves or in cases in which goods cannot or need not be marked for technical reasons. The committee also calls for the committee responsible for assisting the Commission in the eventual extension of the Regulation's scope to be extended to representatives of the relevant industries and associations for reasons of transparency.

Limiting the administrative burden: in order to ensure that this Regulation is effective and only imposes light administrative burdens whilst granting the maximum flexibility for European companies, Members consider that it should be in compliance with existing "made-in" schemes worldwide. Indeed, one recital states that the Member States' customs authorities should perform border checks and controls on the implementation of this regulation via a single harmonised procedure so as to reduce the administrative burden.

?Made in?: Members proposes that the marking may also be done in the English language by using the words ?made-in? and the English name of the country of origin. in the English language by using the words ?made-in? and the English name of the country of origin (to avoid, for example, the use of the Greek or Cyrillic alphabet with whom many are unfamiliar).

Penalties: the Committee calls for the Commission (and not simply Member States) to be able to propose minimum common standards for the penalties applicable to infringements of the provisions of this Regulation so as to prevent differences among them from prompting exporters to use certain points of entry to the European Union in preference to others. Where it appears that goods are not in compliance with the Regulation, Member States may adopt measures to require the owner of the goods or any other person responsible for them to mark these goods in accordance with this Regulation and at their own expense, as in the Commission's proposal. However, in addition, the committee wants Member States to notify these provisions to the Commission within nine months after the entry into force of this Regulation, to ensure uniform application.

Report on the effects of this Regulation: the committee calls on the Commission to carry out a study on the effects of this Regulation no later than three years after its entry into force.

Annex of products to be marked: lastly, Members added a series of new products to the list of products proposed by the Commission. These include pharmaceutical products, certain tools and other fixture products important for the safety of finished industrial products, craft products, tyres and instruments used in cars and ophthalmological products.

In a recital, Members state that the addition of certain products to the initial list is justified because there have been several cases of health

and safety incidents arising from products imported into the EU from third countries. In these circumstances, a clear indication of origin will give EU citizens more information and more control over their choices, thus offering them protection from unknowingly purchasing products of potentially dubious quality.

According to Members, an origin marking scheme would enable consumers to know if the products come from countries with high social and environmental standards.

Imports: indication of the country of origin of certain products

The European Parliament adopted by 525 votes to 49, with 44 abstentions a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on the indication of the country of origin of certain products imported from third countries

The Parliament adopted its position at first reading under the ordinary legislative procedure (formerly known as the codecision procedure). The amendments adopted in plenary are the result of a compromise reached between the European Parliament and the Council. Parliament amends the Commission's proposal as follows:

Limitation of the scope to apply to end consumer products: Parliament suggests that the regulation should apply to end consumer products rather than industrial products, as proposed by the Commission. These products are those which are listed in the Annex to the draft Regulation, and imported from third countries, except for products originating in the Territory of the European Union (and not the Community), Turkey, and the EEA (Norway, Iceland and Liechtenstein). An oral amendment was adopted in plenary that also stipulates that end consumer products may be exempted from origin marking when, for technical reasons, it appears impossible to mark them.

Extension of the scope to certain categories of finished or semi-manufactured products: the plenary adopted a new amendment specifying that a new category of products should be included. It relates to textiles and textile article), footwear, gaiters and the like, articles of apparel, clothing accessories and other articles of furskin, artificial fur and articles thereof, crust and finished leather, saddlery and harness, travel goods, handbags and similar containers, articles of animal gut (other than silkworm gut). For these products, a 'product intended for the final consumer' and a 'product intended for final use' shall mean a finished or a semi-manufactured product which requires further processing in the European Union before it is marketed.

Possibility to extend the scope of the Regulation to other products, following Parliament's opinion: as in the initial proposal, the scope can be extended to other products by the Commission, pending the approval of Parliament and Council. Parliament calls for the rules on comitology to be updated for the extension of the scope of the Regulation by recourse, in certain cases, to the adoption of delegated acts according to the provisions of a new Art 6 a, b and c laying down the applicable comitology rules. Recourse to delegated acts will occur in particular in cases where marking on the packaging may be accepted in lieu of marking on the goods themselves, or the goods cannot or need not be marked for technical reasons.

Parliament also calls for the committee responsible for assisting the Commission in the eventual extension of the Regulation's scope to be extended to representatives of the relevant industries and associations for reasons of transparency.

Limiting the administrative burden: in order to ensure that this Regulation is effective and only imposes light administrative burdens whilst granting the maximum flexibility for European companies, Members consider that it should be in compliance with existing "made-in" schemes worldwide. Indeed, one recital states that the Member States' customs authorities should perform border checks and controls on the implementation of this regulation via a single harmonised procedure so as to reduce the administrative burden.

'Made in': Members proposes that the marking may also be done in the English language by using the words 'made-in' and the English name of the country of origin (to avoid, for example, the use of the Greek or Cyrillic alphabet with whom many are unfamiliar).

Penalties: Parliament calls for the Commission (and not simply Member States) to be able to propose minimum common standards for the penalties applicable to infringements of the provisions of this Regulation so as to prevent differences among them from prompting exporters to use certain points of entry to the European Union in preference to others. Where it appears that goods are not in compliance with the Regulation, Member States may adopt measures to require the owner of the goods or any other person responsible for them to mark these goods in accordance with this Regulation and at their own expense, as in the Commission's proposal. However, in addition, Parliament wants Member States to notify these provisions to the Commission within nine months after the entry into force of this Regulation, to ensure uniform application.

Report on the effects of this Regulation: Parliament calls on the Commission to carry out a study on the effects of this Regulation no later than three years after its entry into force.

Limitation in time of the Regulation: this Regulation shall expire five years after its entry into force. One year before the end of the expiry period the European Parliament and the Council, on the basis of a proposal submitted by the Commission, shall decide to extend or amend it.

Annex of products requiring to be marked: Parliament made some changes to the list of products in the annex proposed by the Commission. In addition to the products proposed by the Commission, it added certain tools, screws, bolts, etc., cutting instruments, ceramic products, tyres used in agricultural vehicles. Plenary withdrew some products proposed in the committee's report such as pharmaceuticals, products used in trailers and certain ophthalmological products. It further added certain types of brushes, paint rollers, etc.

It should be noted that a proposal to reject the Commission's initial proposal was rejected in plenary.

Imports: indication of the country of origin of certain products

As announced in Official Journal C 109 of 16 April 2013, the Commission decided to withdraw this proposal, which had become obsolete.