


Procedure file

Basic information		
CNS - Consultation procedure Regulation	1996/0908(CNS)	Procedure completed
Generalized tariff preferences GSP: application of the scheme to agricultural products of developing countries, 1996-99		
Subject 6.30.01 Generalised scheme of tariff preferences (GSP), rules of origin		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	DEVE Development and Cooperation		18/03/1996
		ELDR FASSA Raimondo	
	Committee for opinion	Rapporteur for opinion	Appointed
	AGRI Agriculture and Rural Development		
	RELA External Economic Relations		
	PECH Fisheries		
Council of the European Union	Council configuration	Meeting	Date
	Energy	1938	20/06/1996

Key events			
06/03/1996	Legislative proposal published	COM(1996)0087	Summary
18/04/1996	Committee referral announced in Parliament		
25/04/1996	Vote in committee		Summary
25/04/1996	Committee report tabled for plenary, 1st reading/single reading	A4-0138/1996	
08/05/1996	Debate in Parliament		
09/05/1996	Decision by Parliament	T4-0220/1996	Summary
20/06/1996	Act adopted by Council after consultation of Parliament		Summary
20/06/1996	End of procedure in Parliament		
29/06/1996	Final act published in Official Journal		

Technical information

Procedure reference	1996/0908(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	EC before Amsterdam E 113
Stage reached in procedure	Procedure completed
Committee dossier	DEVE/4/07781

Documentation gateway

Legislative proposal	COM(1996)0087 OJ C 163 06.06.1996, p. 0001	06/03/1996	EC	Summary
Committee report tabled for plenary, 1st reading/single reading	A4-0138/1996 OJ C 152 27.05.1996, p. 0004	25/04/1996	EP	
Economic and Social Committee: opinion, report	CES0611/1996 OJ C 204 15.07.1996, p. 0116	25/04/1996	ESC	Summary
Text adopted by Parliament, 1st reading/single reading	T4-0220/1996 OJ C 152 27.05.1996, p. 0014-0057	09/05/1996	EP	Summary

Final act

[Regulation 1996/1256](#)
[OJ L 160 29.06.1996, p. 0001](#) Summary

Generalized tariff preferences GSP: application of the scheme to agricultural products of developing countries, 1996-99

OBJECTIVE: To extend to the agricultural sector the GSP principle already applied to industrial products: SUBSTANCE: The proposed scheme has the same objectives as the industrial scheme: - simplification, with preferential duties being modulated by a mechanism involving four tiers of tariff reductions; - reweighting of the scheme in favour of the countries most in need of it by means of a system of graduation by major production sector; - neutrality of the new scheme's impact compared with the previous one; - encouraging the beneficiary countries to develop progressive social and environmental policies by means of additional incentives going beyond neutrality. There is a fifth objective which is more specific to the agricultural sector: extending the range of products covered by the new scheme, on the basis of the principle of covering all but the most sensitive products, which broadly speaking are those which were subject to a levy or system of reference prices before the Uruguay Round agreement came into force (except for fisheries products). There are no substantial changes to the special arrangements for the least-advanced countries, but some small changes to the arrangements for Latin American countries combating drugs: the general rate for shrimp has changed (from 4.5% to 5.4% in 1996), the concessions offered to Central American countries are being brought into line with those offered to the Andean countries and the fisheries arrangements granted to other Central American countries are being extended to Panama. Tariff reductions are applied as follows: - the levels of tariff reduction are the same as in the industrial sector and have been divided into four sensitivity categories (15% reduction for very sensitive products, 30% for sensitive products, 65% for semi-sensitive products and 100% for non-sensitive products) according to certain criteria agreed in the Uruguay Round (with some adjustments for fisheries); - gradual exclusion of major production sectors in some beneficiary countries on the basis of their relative specialization adjusted by the development index; - application of social and environmental clauses and a withdrawal clause. The graduation mechanism will come into use gradually, preceded by a transitional period during which graduation will be applied at only 50% of the preferential margin. This first phase will start at the entry into force of the new scheme, with the final stage (full graduation) beginning on 1 January 1999. A Generalized Preferences Committee will use this surveillance procedure to monitor the GSP after the transitional phase (after 1999) to assess the new scheme's impact in terms of lost customs revenue for the Community. The new scheme is intended to enter into force on 1 July 1996. ?

Generalized tariff preferences GSP: application of the scheme to agricultural products of developing countries, 1996-99

The ESC welcomes the intention to undertake a reform of the GSP, which will include the agricultural sector. The ESC stresses the need for differential treatment of agricultural products depending on their sensitivity. The ESC thinks attention should be paid to certain special cases, so that the interests of EU producers can also be taken into account. The ESC supports the introduction of a graduation and solidarity mechanism (Article 4). Developing countries which have reached a higher standard in terms of their GNP and export capacity should gradually

be taken out of the preference scheme, so that they can be treated as industrial countries. The ESC considers that there is no need to wait for serious difficulties to actually occur before introducing protective measures; the mere threat of such a difficulty is sufficient. The ESC considers that the social, environmental and withdrawal clauses (Article 7) are necessary. The ESC also makes some comments of a more specific nature which emphasise the need for greater consistency in EU trading policy.?

Generalized tariff preferences GSP: application of the scheme to agricultural products of developing countries, 1996-99

The Committee on Development and Cooperation regretted the short time available to Parliament to give its opinion on this issue but agreed to extend to the agricultural sector the principles of the GSP scheme applicable in the industrial sector . ?

Generalized tariff preferences GSP: application of the scheme to agricultural products of developing countries, 1996-99

Adopting the report by Mr Raimondo FASSA (ELDR, I), the European Parliament approved, in order to assist development, extension to the agricultural sector of the principles of a generalized system of preferences which are already applied to industrial products.?

Generalized tariff preferences GSP: application of the scheme to agricultural products of developing countries, 1996-99

-OBJECTIVE: To extend to the agricultural sector the principles of the GSP scheme applicable in the agricultural sector. -COMMUNITY MEASURE: Council Regulation (EC) No 1256/96 applying a multiannual scheme of generalized tariff preferences from 1 July 1996 to 30 June 1999 in respect of certain agricultural products originating in developing countries. -SUBSTANCE: As in the industrial scheme, the adopted new agricultural scheme pursues four main objectives: .simplification, with preferential duties being modulated by a mechanism involving 4 tiers of tariff reductions (15% reduction for very sensitive products, 30% for sensitive products, 65% for semi-sensitive products and 100% for non-sensitive products); .the reweighting of the scheme in favour of the countries most in need of it by means of a system of graduation by major production sectors (level of relative specialization adjusted by the development index and on an incremental basis); .the neutrality of the new scheme's impact compared with the previous one; .encouraging the beneficiary countries to develop progressive social and environmental policies by means of additional incentives going beyond neutrality. There is, however, a further objective more specific to the agricultural sector, namely that of extending the range of products covered by the new scheme. Nonetheless, although the range of products has been considerably enlarged, imports of sensitive products could be subject to protective measures in the event of difficulties raised by Community producers. The scheme also provides for special arrangements for the least advanced countries and for the countries combating drugs (Central America). A Committee for the Management of Generalized Preferences will examine any matter relating to the application of the Regulation either on its own initiative or at the request of a Member State. It will also examine the extent to which the principle of neutrality of the effects of the scheme has been observed, the effects of the special arrangements with regard to drugs, and any measures to suspend the application of the scheme, in whole or in part, to particular developing countries. ENTRY INTO FORCE: The regulation is to enter into force on 1 July 1996. However, the regulation contains transitional provisions applicable from 1 July 1996 to 31 December 1996, which extend the provisions currently in force until that date. The new scheme proper will be applied from 1 January 1997 until 30 June 1999 to enable economic operators to adapt to the new system. ?

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The Council formally adopted the Regulation.