Generalised tariff preferences: period from 1st January 2002 to 31 December 2004

2001/0131(CNS) - 10/12/2001 - Final act

PURPOSE : to put in place a new Community scheme of generalised tariff preferences for the period 2004. COMMUNITY MEASURE : Council Regulation 2501/2001/EC applying a scheme of generalised tariff preferences for the period from 1 January 2002 to 31 December 2004. CONTENT : the Council adopted a new GSP (system of generalised tariff preferences) Regulation for the period 1 January 2002 to 31 December 2004 by a qualified majority, with Portugal voting against. This Regulation provides for improved access to the Community market (reduction of ad valorem duties at a flat rate of 3,5% percentage points of the most favoured nation (MFN) duty rate) for numerous exports of sensitive products will continue to benefit from duty-free access. Tariffs will not be raised for any products under the new scheme. The new Regulation also includes provisions taken from the "Everything but Arms" Regulation, extending duty-free access to the least developed countries without any quantitative restrictions. An increase in the supplementary tariff preferences available under the special schemes to encourage the protection of labour rights and of the environment has also been provided for (additional reduction of 5 percentage points). With regard to labour rights, qualifying conditions for the scheme have been tightened - every beneficiary country must now ensure that its national law incorporates the substantive content of standards laid down in the eight International Labour Organisation (ILO) Conventions on fundamental principles and the rights at work. The possibility of with drawing preferences granted under the GSP in the event of serious and systematic violations of ILO standards relating to fundamental principles at work has also been provided for, but only at the end of a procedure which, inter alia, grants the country concerned the opportunity to avoid such withdrawal by undertaking to adopt the measures necessary to comply with the standards. The Council decided to add Pakistan to the list of countries included in the special arrangements to combat drug production and trafficking which grants access by exemption from duties for all industrial products under the general GSP scheme and a large number of agricultural products. This measure will be particularly beneficial to the clothing sector in Pakistan. This decision was taek in the context of the international Community's efforts to support Pakistan following the events of 11 September. ENTRY INTO FORCE : 01.01.02. It shall apply until 31 December 2004. This date shall not apply to the special arrangements for the least developed countries, nor, to the extent that they are applied in conjunction with those arrangements, to any other provisions of this Regulation.