Association of the overseas countries and territories OCTs : mid-term review of Decision 91 /482/EEC

1996/0043(CNS) - 14/02/1996 - Legislative proposal

- OBJECTIVE: to amend Decision 91/482/EEC on the OCT in order to make the adjustments and innovations to the basic text required in the light of the mid-term review, in particular with regard to trade arrangements, the tariff concessions accorded to the territories, and the budget. - SUBSTANCE: the Decision makes substantial alterations to Decision 91/482/EEC on the OCT relating to the following points: . democratic dialogue and partnership to be established with OCT local authorities; . changes in the trade arrangements: the OCT have hitherto benefited from generous tariff concessions in respect of all products originating from their territory. However, the free access to the Community enjoyed by some of these products and the combination of the concessions and the preferential treatment granted to ACP products has disrupted the market because the products in question (rice, for example) fall under a COM in the Community. To deal with this clash of policies, the Commission is proposing that the system affording free access to the Community for OCT products should continue but be coupled with machinery for applying minimum import prices to products covered by a COM. It is also proposed to do away with automatic cumulation for ACP and OCT agricultural products, although such cumulation will still be permissible in certain exceptional cases, subject to checks (the least developed OCT will have priority); . adjustments and clarifications: the proposal adds new provisions on the development of trade and services, shipping, relations with the Azores, Madeira, and the Canary Islands, terms and conditions of financing, and EDF implementation procedures. Human rights and structural adjustment, however, are not mentioned. It is likewise proposed to insert new articles, taken from Lomé IV, relating to the Centre for the Development of Industry, Euro Info Correspondence Centres, health, and decentralized cooperation; . innovations as regards individual rights and the status of OCT nationals: under the Decision: - Member States and the OCT will observe the principle of non-discrimination in their bilateral relations where the establishment of nationals, companies, or enterprises is concerned (limited derogations will be permitted in connection with local activities in the OCT), - steps are to be taken to enable diplomas obtained in OCT eventually to be recognized in the Community, - OCT nationals will be eligible to take part in certain Community programmes (22 programmes including Socrates); . share-out of the budget: for the second implementation period of Decision 91/482/EEC, the following resources have been granted to the OCT (Cannes European Council of 27 June 1995): - ECU 165 m under the Eighth EDF (an increase of 18% compared with the Seventh EDF), the programmable portion of which will be split among British, Dutch, and French OCT, - ECU 35 m (i.e. an increase of 40%) in the form of EIB assistance, to be financed from the Bank's own resources. With regard to the breakdown of expenditure, the Commission is proposing that the budget appropriations for non-programmable aid (namely Sysmin, Stabex, emergency aid, and so forth) should remain unchanged. The slight reduction in programmable regional funds will, however, be offset by a correspondingly grater increase in the funding for national indicative programmes (NIPs); . addition of Saint-Pierre-et-Miquelon to the list of least developed OCT; . conversion whereby special loans under the Fifth and Sixth EDFs (OCT appropriation) not committed as at 30 June 1995 will become grants (approximately ECU 6 m).