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

1996/0908(CNS) - 20/06/1996 - Final act

-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.