

# GENERAL AGREEMENT ON TARIFFS AND TRADE

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## GENERALIZED SYSTEM OF PREFERENCES

### Notification by the European Communities

#### Addendum

The following communication has been received from the delegation of the Commission of the European Communities.

I have the honour to refer to the Decision of the CONTRACTING PARTIES of 25 June 1971 concerning the grant of preferential treatment to products originating in developing countries and territories, and to the notification by the European Communities, dated 7 July, concerning the entry into force of the generalized tariff preferences accorded by the European Economic Community (L/3550 of 16 July 1971).

In pursuance of that Decision I am sending you herewith, for the information of the contracting parties, the text of a regulation adopted by the Council of the European Communities on 7 May 1975 concerning the application of this generalized tariff preference scheme by the enlarged Communities, as from 1 July 1975 and until 31 December 1975, in respect of certain products falling within Heading Nos. 09.04 and 15.07 of the Common Customs Tariff.

The selection of products included in the regulation shows that, from the first stage of the effective phase of the multilateral trade negotiations, it is the Community's intention to translate into practice the commitment that it undertook at Tokyo to treat tropical products as a special and priority sector.

REGULATION (EEC) No 1213/75 OF THE COUNCIL

of 7 May 1975

establishing in respect of certain products falling within heading Nos 09.04 and 15.07 of the Common Customs Tariff a scheme of generalized preferences in favour of developing countries

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof;

Having regard to Council Regulation (EEC) No 1059/69 <sup>(1)</sup> of 28 May 1969 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products, and in particular Article 12 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas, within the context of UNCTAD, the European Economic Community offered to grant tariff preferences on certain processed agricultural products of Chapters 1 to 24 of the Common Customs Tariff which originate in developing countries; whereas the preferential treatment proposed in that offer consists, in respect of certain goods which are subject to the trade arrangements laid down in Regulation (EEC) No 1059/69, of a reduction in the fixed component of the charge applicable to such goods by virtue of that Regulation, and, in respect of products which are subject to the single customs duty, of a reduction in such duty; whereas preferential imports of the products concerned could be effected without quantitative restrictions;

Whereas the offer made by the Community includes a clause stating that the Community drew up the offer on the assumption that all the main industrialized countries which are members of the OECD would participate in granting preferences and would make similar efforts in this direction; whereas, moreover, it is evident from the conclusions worked out in UNCTAD that this offer, while being of a temporary nature, does not constitute a binding commitment and, in particular, may be withdrawn wholly or in part at a later date; whereas this

possibility may be adopted, *inter alia*, with a view to remedying any unfavourable situations which might arise in the associated countries following the implementation of the generalized preference scheme;

Whereas, moreover, the conference of the Heads of State or of Government of the Member States and the States acceding to the European Communities held in Paris from 19 to 21 October 1972 invited the Community institutions and the Member States progressively to adopt an overall policy of development cooperation on a world-wide scale comprising in particular the improvement of generalized preferences with the aim of achieving a steady increase in imports of manufactures from the developing countries;

Whereas, in accordance with Protocol 23 to the Act of Accession <sup>(2)</sup>, the generalized tariff preference scheme became fully applicable in the new Member States on 1 January 1974;

Whereas, for certain products of Chapters 1 to 24 of the Common Customs Tariff, this scheme would, however, involve the application in the new Member States in 1975 of customs duties higher than or very close to those which will be applied by the new Member States to non-member countries in general on the basis of the provisions of the abovementioned Act; whereas this situation would comply neither with the spirit nor with the very nature of the generalized preference scheme; whereas, in order to maintain an equivalent preferential margin for these products also, reduced customs duties should be applied to them, in accordance with detailed rules based on the principle of maintaining, in the new Member States, a preference proportional to that which exists between the duties of the Common Customs Tariff and the duties given in Annex A to this Regulation; whereas, with a view to granting the beneficiary developing countries the best possible treatment, in accordance with the objectives of the preference scheme, the duties given in the abovementioned Annex A should also be applied wherever the duties calculated according to the

<sup>(1)</sup> OJ No L 141, 12. 6. 1969, p. 1.

<sup>(2)</sup> OJ No L 73, 27. 3. 1972, p. 14.

abovementioned detailed rules prove to be higher than them;

Whereas it is expedient, therefore, that the Community should authorize the importation of the products referred to in Annex A, originating in the countries and territories listed in Annex B, subject to the customs duties given in respect of each of them, as from 1 July 1975; whereas the benefit of such preferential terms should be reserved for products originating in the countries and territories under consideration, the concept of 'originating products' being determined in accordance with the procedure laid down in Article 14 of Council Regulation (EEC) No 802/68<sup>(1)</sup> of 27 June 1968 on the common definition of the concept of the origin of goods;

Whereas measures should be provided for which will enable any serious disruption in any sector of the economic activity of the Community to be avoided; whereas, to this end, the Commission should be empowered to reintroduce partially or wholly the levying of customs duties in order that such disruption may be avoided;

Whereas the Commission must be able to have access to information concerning imports effected within the framework of generalized preferences; whereas, to this end, Member States shall inform the Commission every three months of imports actually effected, classified by origin,

HAS ADOPTED THIS REGULATION:

#### *Article 1*

1. From 1 July to 31 December 1975, Community imports of the products listed in Annex A shall benefit from the customs duties specified for each product.

On importation into Denmark, Ireland and the United Kingdom, there shall be applied to the abovementioned products the customs duties determined by multiplying, by a coefficient equal to the margin of preferences existing between the duties given in Annex A and the Common Customs Tariff duties applicable, the duties obtained by reducing the difference between the lowest duty applied on 1 January 1972 to the developing countries set out in Annex B and the Common Customs Tariff, by 60 %.

However, the duties given in Annex A shall be applied where the duties resulting from the abovementioned calculation are higher than them.

2. The treatment provided for in paragraph 1 shall be enjoyed solely by products originating in the countries and territories listed in Annex B.

For the purposes of the application of this Regulation, the concept of originating products shall be determined in accordance with the procedure laid down in Article 14 of Regulation (EEC) No 802/68.

#### *Article 2*

When products benefiting from the treatment provided for in Article 1 are imported in the Community in such quantities or at such prices that Community producers of products similar to or in direct competition with them suffer or are likely to suffer from serious disadvantage, the levying of customs duties may be reintroduced in whole or in part on the products in question in respect of the countries or territories which are the cause of the disadvantage. Such measures may also be taken in the case of actual or potential serious disadvantage in a single region of the Community.

#### *Article 3*

1. The Commission may decide, by means of a Regulation, to reintroduce the levying of customs duties for a specified period, in order to ensure that Article 2 is applied.

2. In the event of such action being requested by a Member State, the Commission shall decide within a period of not more than 10 working days after the request has been received and shall inform the Member States of this decision.

3. Any Member State may refer to the Council the measure taken by the Commission, within a period of not more than 10 working days after it has been informed thereof. The fact that the matter is referred to the Council shall not cause the measure to be suspended. The Council shall meet immediately. It may, by acting on a qualified majority, amend or rescind the measure in question.

#### *Article 4*

Articles 2 and 3 shall not prejudice the implementation of the safeguard clauses adopted in pursuance of the common agricultural policy under Article 43 of the Treaty and of those adopted in pursuance of the common agricultural policy under Article 113 of the Treaty.

<sup>(1)</sup> OJ No L 148, 28. 6. 1968, p. 1.

*Article 5*

Member States shall inform the Commission every three months of imports effected under this Regulation, classified by origin.

*Article 6*

This Regulation shall enter into force on 1 July 1975.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 7 May 1975.

*For the Council*

*The President*

G. FITZGERALD

## ANNEX A

**List of products falling within heading Nos 09.04 and 15.07 originating in developing countries and territories to which the generalized tariff preferences will apply**

CCT heading No	Description	Rate of duty
09.04	Pepper of the genus 'Piper'; pimento of the genus 'Capsicum' or the genus 'Pimenta': A. Neither crushed nor ground: I. Pepper: b) Other	6 %
15.07	Fixed vegetable oils, fluid or solid, crude, refined or purified: D. Other oils: I. For technical or industrial uses other than the manufacture of foodstuffs for human consumption: a) Crude: 1. Palm oil ex 3. Other: — Palm nut and kernel oil II. Other: a) Palm oil: 1. Crude b) Other: 2. Solid, other; fluid: ex aa) Crude: — Palm nut and kernel oil — Coconut oil	2.5 % 3 % 4 % 8 % 8 %

ANNEX B

List of developing countries and territories enjoying generalized tariff preferences

INDEPENDENT COUNTRIES

Afghanistan	Haiti	Philippines
Algeria	Honduras	Qatar
Argentina	India	Romania
Bahamas	Indonesia	Rwanda
Bahrain	Iran	Saudi Arabia
Bangladesh	Iraq	Senegal
Barbados	Ivory Coast	Sierra Leone
Bhutan	Jamaica	Singapore
Bolivia	Jordan	Somalia
Botswana	Kenya	Sri Lanka
Brazil	Khmer Republic	Sudan
Burma	Korea (South)	Swaziland
Burundi	Kuwait	Syria
Cameroon	Laos	Tanzania
Central African Republic	Lebanon	Thailand
Chad	Lesotho	Togo
Chile	Liberia	Tonga
Colombia	Libya	Trinidad and Tobago
Congo, People's Republic of	Malagasy Republic	Tunisia
Costa Rica	Malawi	Uganda
Cuba	Malaysia	United Arab Emirates:
Cyprus	Maldives Islands	Abu Dhabi
Dahomey	Mali	Dubai
Dominican Republic	Mauritania	Ras al Khaimah
Ecuador	Mauritius	Fujairah
Egypt, Arab Republic of	Mexico	Ajman
El Salvador	Morocco	Sharjah
Equatorial Guinea	Nauru	Ummal Qaiwain
Ethiopia	Nepal	Upper Volta
Fiji	Nicaragua	Uruguay
Gabon	Niger	Venezuela
Gambia	Nigeria	Vietnam, Republic of
Ghana	Oman	Western Samoa
Grenada	Pakistan	Yemen, People's Democratic Republic of
Guatemala	Panama	Yemen Arab Republic
Guinea	Paraguay	Yugoslavia
Guyana	Peru	Zaire
		Zambia

## COUNTRIES AND TERRITORIES

dependent or administered, or for whose external relations Member States of the Community  
or third countries are wholly or partly responsible

Afars and Issas (Territory of the)  
Angola (including Cabinda)  
Australian Antarctic Territory  
Belize  
Bermuda  
British Antarctic Territory  
British Indian Ocean Territory (Aldabra, Farquhar, Chagos Archipelago, Des Roches)  
British Pacific Ocean <sup>(1)</sup>  
Brunei  
Cape Verde Islands  
Cayman Islands and Dependencies  
Christmas Island  
Cocos (Keeling) Islands  
Comoro Archipelago  
Cora Islands and Swan Islands  
Falkland Islands and Dependencies  
French Polynesia  
French Southern and Antarctic Territories  
Gibraltar  
Heard Island and MacDonald Islands  
Hong Kong  
Leeward Islands <sup>(2)</sup>  
Macao  
Mozambique  
Netherlands Antilles  
New Caledonia and Dependencies  
Norfolk Islands  
Pacific Islands administered by the United States of America or under United States trusteeship <sup>(3)</sup>  
Papua-New Guinea  
Portuguese Guinea  
Portuguese Timor  
St Helena (including Ascension, Gough Island, and Tristan da Cunha)  
Saint Pierre and Miquelon  
São Tomé and Príncipe  
Seychelles (including Amirantes)  
Sikkim

<sup>(1)</sup> Gilbert and Ellice Islands, British Solomon Islands, New Hebrides Condominium, and Pitcairn Islands.

<sup>(2)</sup> Antigua, Montserrat, St Kitts-Nevis-Anguilla, British Virgin Islands.

<sup>(3)</sup> The Pacific Islands administered by the United States of America include: Guam, American Samoa (including Swain's Island), Midway Islands, Johnston and Sand Islands, Wake Island and the Trust Territory of the Pacific Islands (the Caroline, Marianas and Marshall Islands).

Spanish territories in Africa

Surinam

Territories for which New Zealand is responsible (Cook Islands, Niue Island, Tokelau Islands and Ross Dependency)

Turks and Caicos Islands

Virgin Islands of the United States (St Croix, St Thomas, St John, etc.)

Wallis and Futuna Islands

Windward Islands <sup>(1)</sup>

*Note:* The above lists may be amended subsequently to take account of changes in the international status of countries or territories.

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<sup>(1)</sup> Dominica, St Lucia, St Vincent.