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Brussels, 18 November 1985

R E P O R T of the Section for External Relations on the Proposal from the Commission to the Council Fixing the Community's Generalized Tariff Preferences Scheme for 1986 (COM(85) 425 final)

CES 750/85 fin F/AG/ss

I. GIST OF THE COMMISSION PROPOSAL

1. The Commission proposals fixing the Community's generalized tariff preferences scheme for 1986 are consistent with the commitment entered into by the EEC when it pledged to UNCTAD in 1968 to contribute to the industrialization of the developing countries by giving their manufactures preferential access to the markets of EEC Member States.

- 2. For 1986 the Commission proposes :
- a) to incorporate in the scheme the changes announced in the "Renewal of the GSP for the Years 1986-1990" (COM(85) 203 final);
- b) to adapt the GSP gradually in order to take account of the entry into the Common Market of Portugal and Spain (within 7 years according to the Treaties).

No significant changes are planned in the case of agricultural products, textiles (i.e. those textiles which adhere to the Multifibre Agreement timetable) and steel products.

3. As far as the scheme itself is concerned, the Commission's proposal is that there should be some product/country selectivity. It nevertheless considers that the withdrawal of a product from the GSP scheme should go hand in hand with the extension of the scheme to other areas of production so as to ensure that the Community's overall offer remains the same and matches the GSPs from other industrialized non-EEC countries.

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In detail the Commission is proposing:

- 26 product/country exclusions (12 products in the case of Hong Kong; 10 in the case of South Korea and two each in the case of Brazil and Singapore);
- the transfer to the non-sensitive list of 23 products currently regarded as sensitive;
- the abolition of 47 individual quotas (made possible by the abolition of the quotas of some "dominant" suppliers);
- the introduction of 10 individual quotas;
- a statistical <u>improvement</u> of the Community's offer through the revaluation of preferential limits (on the basis of the Community's level of consumption or imports).

4. As far as the management of the GSP is concerned, the Commission is proposing:

- a) the setting-up of a GSP Committee to be consulted on questions relating to the re-establishment of duties and the return of non-used shares in quotas;
- b) the publication of import statistics once the tariff ceilings have been reached.

# II. SECTION COMMENTS

5. The Section would refer to and endorse the Opinion adopted by the Economic and Social Committee on 25 September 1985 (CES 774/85).

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6. The Committee argues in its Opinion of 25 September 1985 for the maintenance and if possible increase in the value of the GSP as:

- an instrument of development policy for stimulating the economies of developing countries in line with their own development models;
- a commercial instrument for encouraging developing countries to participate in world trade.

At the same time, this ESC Opinion calls for the economies of developing countries to be gradually exposed to international competition (in accordance with GATT rules).

7. The Section accordingly congratulates the Commission on having taken up an idea long advocated by the ESC, namely that cross-selectivity should be applied to the GSP scheme, i.e. certain products from countries having attained a level of competitiveness comparable to that of the Community should be withdrawn from the GSP scheme.

8. The Section regrets that the Commission has not yet fixed a more realistic economic threshold, namely per capita GNP, for calculating when developing countries lose their entitlement to GSP benefits. Using this yardstick, a developing country's position with regard to GSPs would have to be re-examined once its per capita GNP equals that of any one Member State of the Community. Some members, however, feel that GNP is too uncertain and arbitrary an instrument for measuring a country's level of development. Nevertheless other instruments such as level of unemployment are just as arbitrary so it is difficult to find a valid alternative to the use of GNP.

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9. The Section regrets that the Commission has not taken up the Committee's proposals on :

- a) the selection of countries on the basis of per capita GNP (exclusion of countries "richer" than any one Member State of the Community);
- b) counterfeit products;
- c) state-trading nations.

10. The Section still has doubts about the advisability of granting GSP concessions for products whose manufacture clearly does nothing to promote the development of the country on whose territory the product is manufactured. Some members feel that the granting of such concessions is likely to jeopardize conditions of international competition and benefit no one else but a few entrepreneurs from outside the country who take advantage of the income differentials resulting from varying conditions of employment.

11. The Section would point out that the Commission's proposals for 1986 have failed to take up the Committee's suggestion that an automatic mechanism needs to be incorporated in the GSP to shield it from the negative reactions of trading partners once a given customs duty is reimposed after a ceiling has been reached or a quota exhausted.

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12. The terms of reference of the GSP Committee proposed by the Commission are so limited that the Section is unlikely to be convinced of its usefulness. In the case of decisions which fall typically within the sphere of competence of the Commission and for which the Commission has to assume full responsibility, consulting such a Committee is in no way necessary. The practice of consulting such Committees is also too cumbersome, too bureaucratic and too expensive.

13. The Section has not found any reference to the observance of various rules in international trade, e.g. respect for human rights and in particular the implementation of equitable labour standards such as those laid down by the International Labour Organization (see Appendix). The Section draws particular attention to the Conventions on the right of association (84), trade union freedoms and the protection of trade union rights (87), and the right to organize and engage in collective bargaining (98).

Brussels, 12 November 1985.

The Chairman The Rapporteur of the of the Section for External Relations Section for External Relations

Maurice ZINKIN

Gian Battista CAVAZZUTI

The Secretary-General of the Economic and Social Committee

Roger LOUET

# ECONOMIC AND SOCIAL COMMITTEE

Brussels, 18 November 1985

A P P E N D I X to the R E P O R T of the Section for External Relations on the Proposal from the Commission to the Council Fixing the Community's Generalized Tariff Preferences Scheme for 1986 (COM(85) 425 final)

# CES 750/85 fin Appendix F/AG/dht

B-1000 BRUSSELS \* Rue Ravenstein 2 \* Tel 512 39 20 \* Telex 25983 CESEUR

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# Ratifications of International Labour Conventions (ILO, January 1985)

# First Bassion (Weshington) 1919

- Hours of Work (Industry) 1
- Linemployment.
- Maternity Protection 11 3
- Night Work (Women) 11 4
- Minimum Age (Industry). Ωr. 5
- Night Work of Young Persons (Industry) 6 ÷,

#### Second Session (Genos) 1920

- 7 Minimum Age (Sea). ţŗ.
- Unemployment Indemnity (Shipwreck) A
- 9. Placing of Seamen.

#### Third Bassion (Geneva) 1921

- 🛨 10. Minimum Age (Agriculture).
- Right of Association (Apriculture) 11
- Workmen's Compensation (Agriculture) ÷ 12 13
- White Lead (Painting)
- 14. Weekly Rest (Industry).
- ÷. 15. Minimum Age (Trimmers and Stokers) 16. Medical Examination of Young Persona (Sea)

#### Seventh Session (Geneva) 1925

- Y 17. Workmen's Compensation (Accidents).
  Y 18. Workmen's Compensation (Occupational Dis-
- 68565)
- Equality of Treatment (Accident Compensation) 19
- 20 Night Work (Bakeries)

#### Eighth Session (Geneva) 1926

21 Inspection of Emigrants

#### Ninth Session (Geneva) 1928

- 22. Seamen's Articles of Agreement
- 23 Repatriation of Seamen.

#### Tenth Session (Geneva) 1927

- 학 24 Sickness Insurance (Industry),
- 25. Sickness Insurance (Agriculture) άż.

#### Eleventh Session (Geneva) 1928

- 26. Minimum Wage-Fixing Machinery
- Twelfth Session (Geneva) 1929
- 27. Marking of Weight (Packages Transported by Ves
- sels). 28 Protection against Accidents (Dockers)
- Fourteenth Session (Geneva) 1930

#### 29 Forced Labour.

30. Hours of Work (Commerce and Offices)

#### Fifteenth Session (Geneva) 1931

☆O 31. Hours of Work (Coal Mines).

#### Sixteenth Session (Geneva) 1932

- 32 Protection against Accidents (Dockers) (Revised).
- 33. Minimum Age (Non-Industrial Employment).

#### Seventsenth Session (Geneva) 1933

- 34 Fee-Charging Employment Agencies.
- ٥ 35. Old-Age Insurance (Industry, etc.)
- ۲ 36 Old-Age Insurance (Agriculture).
- ø 37 Invalidity Insurance (Industry, etc.)
- 38. Invalidity Insurance (Agriculture) ۰

+ Convention which has not yet received the required number of ratifications for entry into force ...

# ♠ Convention no longer open to ratification as a result of the entry into force of a revising Convention.

- ♦ 39. Survivors' Insurance (industry, etc.) ٠
- 40 Survivors' Insurance (Agriculture).

#### Eighteenth Session (Genove) 1934

- ♦ 41. Night Work (Women) (Revised).
- 42. Workmen's Compensation (Occupational Disτ. eases) (Revised).
  - 43. Sheet-Glass Works.
  - 44. Unemployment Provision.

#### Ningteenth Session (Geneva) 1935

- 45 Underground Work (Women).
- 46. Hours of Work (Cost Mines) (Revised).  $^{\circ}$ 
  - 47. Forty-Hour Week
- $\dot{\mathbf{x}}$ 48 Maintenance of Migrants' Pension Rights.
- 49. Reduction of Hours of Work (Glass-Bottle Works).

#### Twontieth Session (Geneva) 1936

- 50. Recruiting of Indigenous Workers. 51
- 0 Reduction of Hours of Work (Public Works)
- 52. Holidays with Pay.

#### Twenty-first Session (Geneva) 1936

53. Officers' Competency Certificates **0** 54 Holidays with Pay (Sea). Shipowners' Liability (Sick and Injured Seamen) 55.

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#### Twenty-second Session (Geneva) 1936

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Convention revised by a subsequent Convention

- O The following Conventions are not included in the above chart: Conventions Nos. 31, 46, 51, 54, 57, 61, 66, 72, 75, 76, 93, which have not received the required number of ratifications for entry into force; Conventions Nos. 80, 116, which revise the final articles of earlier Conventions.

- ☆ 58. Minimum Age (Sea) (Revisod)
- 56 Sickness Insurance (Sea). 57 Hours of Work and Manning (Sea)

#### Twenty-third Session (Geneva) 1937

- 9 59 Minimum Age (Industry) (Revised).
- 60 Minimum Age (Non-Industrial Employment) (Re-12
- vised) 61 Reduction of Hours of Work (Textiles)
- 52. Safety Provisions (Building)

#### Twenty-fourth Session (Geneva) 1938

63 Statistics of Wages and Hours of Work.

#### Twenty-fifth Session (Geneva) 1939

- 64 Contracts of Employment (Indigenous Workers)
- 65 Penal Sanctions (Indigenous Workers)
- Migration for Employment <u>♦</u> 66
- ò 67 Hours of Work and Rest Periods (Road Transport).

#### Twenty-eighth Session (Seattle) 1946

- 68. Food and Catering (Ships' Crews).
- Certification of Ships' Cooks 69.
- Social Security (Seafarers) \* 70
- 71 Seafarers' Pensions.
- <u></u>ه 72. Paid Vacations (Seafarers).
- 73. Medical Examination (Seafarers) 74. Certification of Able Seamen
- ♦¢ 75. Accommodation of Crews. ☆◇ 76 Wages, Hours of Work and Manning (Sea)
- Twenty-ninth Session (Montreal) 1946
  - 77 Medical Examination of Young Persons (Industry). 78 Medical Examination of Young Persons (Non-
  - Industrial Occupations). Night Work of Young Persons (Non-Industrial 79.
  - Occupations). 80. Final Articles Revision
- $\circ$

# Thirtieth Session (Geneva) 1947

- 81 Labour Inspection
- 82. Social Policy (Non-Metropolitan Territories).
- Labour Standards (Non-Metropolitan Territories) 83.
- 84 Right of Association (Non-Metropolitan Ter-
- ritories) 85. Labour Inspectorates (Non-Metropolitan Ter-
- ritories) 86 Contracts of Employment (Indigenous Workers)

#### Thirty-first Session (San Francisco) 1948

- 87. Freedom of Association and Protection of the
- Right to Organise.
- 88 Employment Service. Night Work (Women) (Revised). 89
- 90. Night Work of Young Persons (Industry) (Revised)

#### Thirty-second Session (Geneve) 1949

- 91. Paid Vacations (Seafarers) (Revised). ٠
- 92.
- Accommodation of Crews (Revised) Wages, Hours of Work and Manning (Sea) ŵΟ 93 (Revised)
  - Labour Clauses (Public Contracts) 94
  - 95 Protection of Wages.
  - 96 Fee-Charging Employment Agencies (Revised) 97
  - Migration for Employment (Revised).
  - **98**. Right to Organise and Collective Bargaining

#### Thirty-fourth Session (Geneva) 1951

99. Minimum Wage Fixing Machinery (Agriculture). 100. Equal Remuneration.

#### Thirty-fifth Session (Geneve) 1952

- & 101. Holidays with Pay (Agriculture).
  - 102. Social Security (Minimum Standards)
  - 103. Maternity Protection (Revised).

#### Thirty-eighth Session (Geneva) 1965

104. Abolition of Panal Sanctions (Indigenous Workers).

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#### Fortleth Session (Geneva) 1957

- 105. Abolition of Forced Labour.
- 106. Weekly Rest (Commarce and Offices)
- 107. Indigenous and Tribal Populations.

#### Forty-first Session (Geneva) 1858

- 108. Seafarers' Identity Documents. \* 109. Wages, Hours of Work and Manning (Sea)
- (Revised).

Forty-second Session (Geneva) 1958

- 110. Plantations.
- 111. Discrimination (Employment and Occupation).

#### Forty-third Session (Geneva) 1959

- ☆ 112. Minimum Age (Fishermen).
- 113, Medical Examination (Fishermen).
- 114. Fishermen's Articles of Agreement.

#### Forty-fourth Session (Geneva) 1960 115. Rediation Protection.

#### Forty-fifth Session (Geneva) 1981

♦ 116. Final Articles Revision

#### Forty-sixth Session (Geneva) 1982

- 117. Social Policy (Basic Aims and Standards).
- 118. Equality of Treatment (Social Security).

#### Forty-seventh Session (Genove) 1963

119 Guarding of Machinery.

#### Forty-eighth Session (Goneva) 1984

- 120. Hygiene (Commerce and Offices).
- 121. Employment Injury Benefits.
- 122 Employment Policy.

#### Forty-ninth Session (Geneva) 1985

- ☆ 123. Minimum Age (Underground Work) 124. Medical Examination of Young Persons (Underground Work)

# Ritloth Session (Geneva) 1988

125. Fishermen's Competency Certificates. 126. Accommodation of Crews (Fishermen)

#### Fifty-first Session (Geneva) 1987

- 127. Maximum Weight. 128. Invalidity, Old-Age and Survivors' Benefits,
- Rity-third Session (Genova) 1959

- 129. Labour Inspection (Agriculture). 130. Medical Care and Sickness Benofits.

# Fifty-fourth Session (Gonova) 1970

# 131. Minimum Wage Fixing.

132. Holidays with Pay (Revised).

## Fifty-fifth Secolon (Geneva) 1970

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- # 133. Accommodation of Crews (Supplementary Provi-ຣໄດກຣ).
- 134. Prevention of Actiniants (Sesferers).

# Fifty-sixth Session (Gonovs) 1971

135. Workers' Representatives. 136. Benzene.

### Fifty-eighth Session (Geneva) 1973

- 137. Dock Work.
- 138. Minimum Age

# Fifty-ninth Session (Geneva) 1974

139. Occupational Cancer. 140. Paid Educational Leave.

#### Statieth Session (Geneva) 1975

- 141. Rural Workers' Organisations.
- 142. Human Resources Development.
- 143. Migrant Workers (Supplementary Provisions).

# Sixty-first Session (Geneva) 1976

144. Tripertite Consultation (International Labour Standards).

#### Sbrty-eccond Session (Geneva) 1976

- 145. Continuity of Employment (Seafarers).
- 148. Sectorers' Annual Leave with Pay.
- 147. Marchant Shipping (Minimum Standarda).

#### Sbrty-third Seccion (Geneva) 1977

- 148. Working Environment (Air Pollution, Noise and Vibration).
- 149 Nursing Personnel.

## Sixty-fourth Session (Geneva) 1978

150. Labour Administration. 151 Labour Relations (Public Service).

#### Sixty-fifth Sossion (Geneva) 1979

- 152. Occupational Safety and Health (Dock Work).
- 153. Hours of Work and Rest Periods (Road Transport).

#### Sixty-coventh Session (Geneva) 1981

- 154. Collective Bargaining.
- 155. Occupational Safety and Health.
- 156. Workers with Family Responsibilities.

#### Sixty-sighth Session (Geneva) 1982

\* 157. Maintenance of Social Security Rights. 158. Termination of Employment.

#### Sixty-ninth Session (Geneva) 1983

159. Vocational Rehabilitation and Employment (Disabled Persons).