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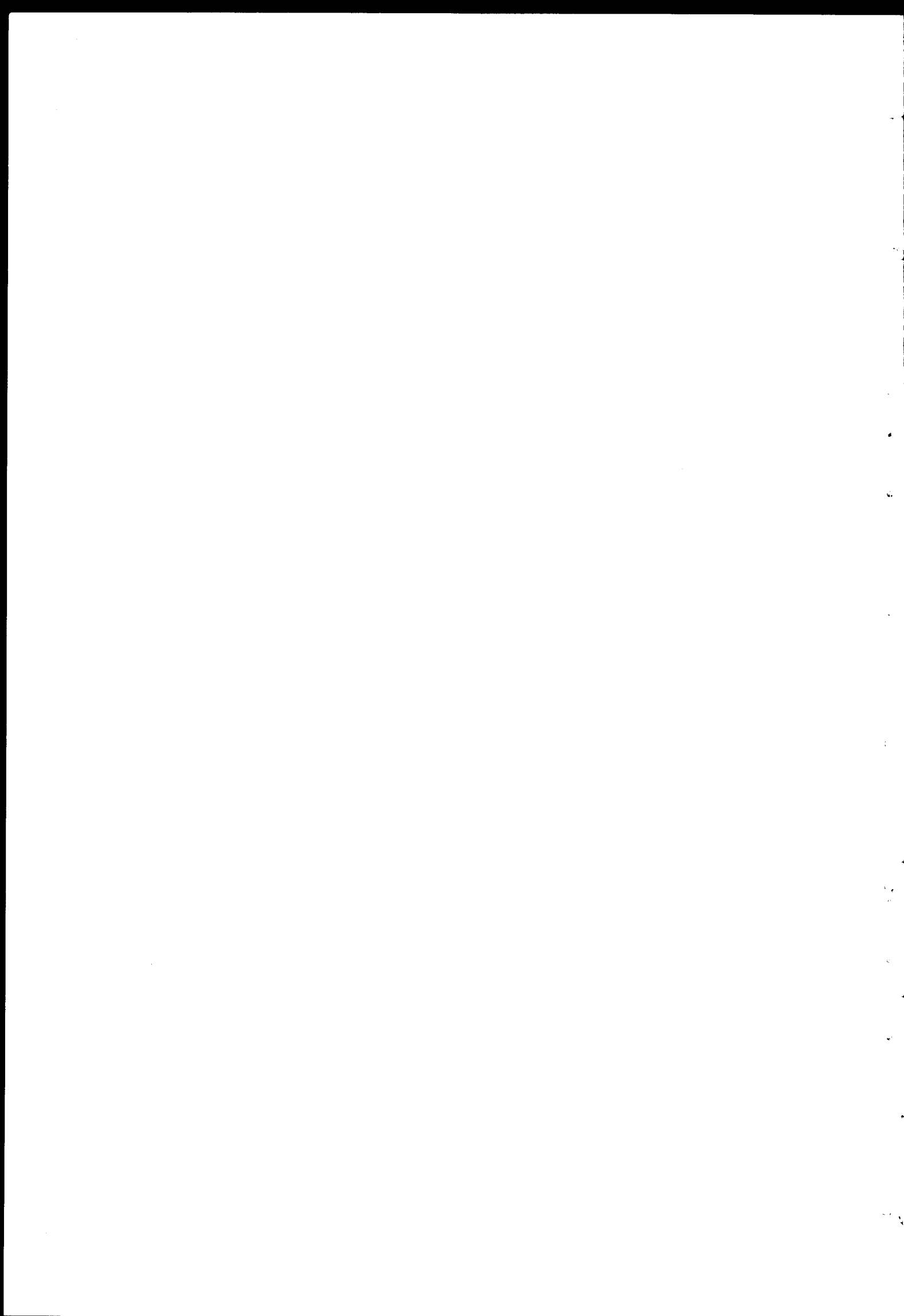
Report

drawn up on behalf of the Committee on Development and Cooperation

on the proposals from the Commission of the European Communities to the Council (Doc. 102/75) for

- I. a regulation on the advance application of certain provisions of the ACP-EEC Convention of Lomé relating to trade in goods
- II. a draft decision of the representatives of the governments of the Member States of the European Coal and Steel Community, meeting in the Council, opening tariff preferences for products within the province of that Community originating in the African, Caribbean and Pacific States

Rapporteur: Mr T. NOLAN



By letter of 12 May 1975, the Council of the European Communities consulted the European Parliament on:

- a Regulation of the Council on the advance application of certain provisions of the ACP-EEC Convention of Lomé relating to trade in goods;
- a draft decision of the representatives of the governments of the Member States of the European Coal and Steel Community, meeting in the Council, opening tariff preferences for products within the province of that Community originating in the African, Caribbean and Pacific States.

On 2 June 1975, the President of the European Parliament referred these proposals to the Committee on Development and Cooperation as the committee responsible and to the Committee on External Economic Relations for its opinion.

On 14 May 1975, the Committee on Development and Cooperation appointed Mr NOLAN rapporteur.

It considered these proposals at its meeting of 4 June 1975 and unanimously adopted the motion for a resolution and the explanatory statement on the same day.

Present: Miss Flesch, Chairman; Mr Deschamps, Vice-Chairman; Mr Nolan, rapporteur; Mr Bersani, Mr Delmotte (deputizing for Mr Broeks), Mr Jakobsen, Mrs Kellet-Bowman, Mr Lagorce, Mr Ligios, Mr Radoux (deputizing for Mr Dondelinger), Mr Schmidt, Mr Walkhoff, Mr Zeller.

The opinion of the Committee on External Economic Relations is attached.

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The Committee on Development and Cooperation hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposals from the Commission of the European Communities to the Council for

- I. a regulation on the advance application of certain provisions of the ACP-EEC Convention of Lomé relating to trade in goods
- II. a draft decision of the representatives of the governments of the Member States of the European Coal and Steel Community, meeting in the Council, opening tariff preferences for products within the province of that Community originating in the African, Caribbean and Pacific States

The European Parliament,

- having regard to the proposals from the Commission of the European Communities to the Council (Doc. COM(75) 192 final)
 - having been consulted by the Council (Doc. 102/75),
 - having regard to the report of the Committee on Development and Cooperation (Doc. 130/75) and the opinion of the Committee on External Economic Relations,
1. Is pleased that the proposal for a regulation and the draft decision provide for the duty free entry into the Community, as from 1 July 1975, of exports of all ACP products other than agricultural products listed in Annex II to the Treaty of Rome and lay down measures to facilitate access of these products to the EEC market;
 2. Welcomes in particular the fact that the definition of origin incorporated in these provisions is extremely favourable to products from ACP countries, since they are treated as a single customs territory;
 3. Believes that the safeguard clause provided for in Article 6 of the proposal for a regulation and Article 3 of the draft decision on ECSC products should exclude any danger of disturbances on the EEC market;
 4. Considers, finally, that the application of the above provisions during a transitional period would make it possible to assess their effectiveness and to envisage any amendments to the provisions which may be necessary when the Convention comes fully into effect;

5. Instructs its President to forward this resolution and the report of its committee to the Council and Commission of the European Communities and, for information, to the competent authorities in the ACP States.

EXPLANATORY STATEMENT

The proposals of the Commission of the European Communities concern the advance application of certain provisions of the ACP-EEC Convention relating to trade in goods other than agricultural products listed in Annex II to the Treaty of Rome or subject to market organizations. These arrangements are due to take effect on 1 July 1975 and will remain applicable until the Convention enters into force, or until 29 February 1976 at the latest.

This advance application of Title I, Chapter 1 of the Convention of Lomé, on trade arrangements, provides for the duty-free entry into the Community without quantitative restrictions or measures having equivalent effect, of all ACP products referred to above.

In Annex I, the regulation also lays down provisions concerning the definition of origin for ACP products. This definition of origin is extremely favourable to the ACP countries, since they are considered as being one territory. It is provided, in particular, that products wholly obtained in the Community which undergo working or processing in one or more ACP States will be considered as having been wholly produced in that or those ACP States, provided that the products were transported directly within the meaning of Article 5. Working or processing is considered sufficient to bestow ACP origin on a product where there is a change of tariff heading. However, the following operations are considered insufficient to bestow ACP origin, whether or not there is a change in the tariff heading: simple operations to ensure the preservation of merchandise in good condition during transport and storage, changes of packing, placing in bottles, bags, etc., or all other simple packaging operations.

Article 6 also contains a safeguard clause applicable where exports of ACP products would cause serious disturbances in a sector of the EEC economy.

Our committee considers that all the provisions of the regulation - and of the draft decision on ECSC products - are extremely advantageous for exports of ACP products to the Community, and welcomes them.

In that respect, these provisions are entirely consistent with the object of the Convention as defined in Article 1, namely:

'1.... to promote trade between the Contracting Parties, taking account of their respective levels of development, and, in particular, of the

need to secure additional benefits for the trade of ACP States, in order to accelerate the rate of growth of their trade and improve the conditions of access of their products to the market of the European Economic Community (hereinafter called the "Community"), so as to ensure a better balance in the trade of the Contracting Parties.'

Title II of the proposal for a regulation lays down in detail the arrangements for administrative cooperation, particularly with regard to the issuing of movement certificates for goods. In this connection, everything will depend on the way in which these provisions are applied by customs authorities in the EEC and ACP countries involved.

The existence of a safeguard clause for cases where the EEC market is disturbed in a given sector may be considered enough to avoid any market disorder, as may the provisions of Article 3 (3) of Annex I, which define the minimum processing which a product may receive if it is to benefit from ACP origin.

With regard to ECSC products, the draft decision lays down that as from 1 July 1975 duties applicable to imports into the Community of such products originating in the ACP will be suspended. The provisions governing the origin of these products are the same as those laid down in the regulation on trade as a whole mentioned above.

In short, our committee is able to endorse the advance application as from 1 July 1975 of the provisions of the Lomé Convention concerning the trade mentioned above, and will return to the question in more detail when the report on all the provisions of the Lomé Convention is considered.

The period of application of these measures, which lasts from 1 July 1975 to 29 February 1976, will act as a test of whether these measures do in fact facilitate ACP exports to Community markets. If not, it should then be possible to amend these provisions for the period when the Lomé Convention comes fully into effect in order to achieve the objectives laid down in that Convention to the greatest possible extent.

OPINION OF THE COMMITTEE ON EXTERNAL ECONOMIC RELATIONS

Letter from the chairman to Miss FLESCHE, Chairman of the
Committee on Development and Cooperation

Luxembourg, 12 June 1975

Dear Chairman,

- The Committee on External Economic Relations was asked for its opinion on
- a proposal for a Regulation (EEC) of the Council on the advance application of certain provisions of the ACP-EEC Convention of Lomé relating to trade in goods, and
 - a draft decision of the representatives of the Governments of the Member States of the European Coal and Steel Community, meeting in the Council, opening tariff preferences for products within the province of that Community originating in the African, Caribbean and Pacific countries (Doc. 102/75)

and considered these proposals at its meeting of 10 June 1975.

At this meeting, the Committee on External Economic Relations found no objection to these proposals and therefore adopted them unanimously. It has instructed me to forward its favourable opinion by letter to your committee.

Present: Mr Kaspereit, chairman; Mr Thomsen, Mr Bermani, Mr Boano, vice-chairmen; Mr Bayerl, Lord Bethell, Mr Cousté, Mr Dunne, Mr De Koning, Mr Schiller, Mr Schwörer, Mr Thornley, Mr Vandewiele and Mr Vetrone.

(sgd.) G. KASPEREIT

