



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 22.09.2000
COM(2000) 590 final

2000/0242 (ACC)

Proposal for a

COUNCIL DECISION

concerning the approval of an agreement in the form of an exchange of letters between the Community and each of the EFTA countries that grants tariff preferences under the GSP (Norway and Switzerland), providing that goods originating in Norway or Switzerland shall be treated on their arrival on the customs territory of the Community as goods with content of Community origin (reciprocal agreement)

(presented by the Commission)

EXPLANATORY MEMORANDUM

In 1995 the provisions on cumulation of origin between the Community and the countries benefiting from the generalised system of preferences (GSP) came into force. Cumulation of origin (“donor country content”) encourages countries benefiting from the GSP to use Community components, since these are then treated as originating in the country using them, which facilitates compliance with the origin criteria.

In 1980 the Community and the EFTA countries (six at the time) decided to facilitate movement between them of goods benefiting from one of the seven GSP schemes (the Community GSP and the GSPs of the six EFTA countries). They did so at the time using simple bilateral administrative agreements, which were not published.

The agreements allowed replacement certificates to be issued for goods accompanied by a certificate of origin form A entering one of the seven territories granting preferences where all or part of the goods were to be forwarded to another one or more of the seven territories (Article 89 of Regulation EEC No 2454/93 of 2 July 1993, as last amended by Regulation EC No 12/97 of 18 December 1996).

It was possible to introduce this arrangement because the Community GSP and those of the EFTA countries (now Switzerland and Norway) are based on similar principles, particularly as regards the origin criteria which are, *de facto*, those established by the Community and adopted by both Switzerland and Norway. This correspondence of principles was lost in 1995 when the Community decided to introduce the cumulation rule referred to above.

However, in 1998 the Swiss and Norwegian rules were amended to introduce the equivalent of the cumulation rules in their schemes. The logical implication of allowing this transit facility to continue to apply to all goods eligible for one or other of the GSPs is that each of the three parties should recognise components originating on the territories of each of the two others as originating in the beneficiary country within the meaning of its own cumulation of origin rules. In practice, the Community will grant preferences to goods originating in beneficiary countries where some of the components originate in Switzerland and/or Norway and, those two countries will treat goods containing Community components in the same way.

In other words, the Community and EFTA will accept components from the other two parties via export to developing countries. This situation will make it possible to maintain the correspondence of the GSPs, particularly as concerns rules of origin, so as not to disrupt the very frequent movement of goods within the economic area composed of these three customs territories, which is very extensively integrated (e.g.: a cargo of Brazilian products is cleared by customs in the Netherlands and broken up into consignments going to Germany and Switzerland, using a replacement certificate for the latter country, which is issued by the Netherlands customs). The volume of the Community economy compared to that of the Swiss and Norwegian economies means that more Community components are likely to enter EFTA countries via beneficiary countries than vice versa.

The Commission accordingly asked the Council for a negotiating mandate to establish two parallel agreements in the form of letters with Switzerland and Norway making these arrangements consistent under international law. The agreements are to cover the entire replacement certificate procedure, whether or not the goods meet the origin criteria because of cumulation; it has transpired that the 1980 agreements were not watertight in terms of international law.

After the Council gave the Commission the negotiating mandate on 29 March 1996, talks with the Swiss and Norwegian authorities produced the annexed draft exchanges of letters. The provisions were finalised at the technical level between the three parties, who have recently started applying this bilateral cumulation arrangement.

It should be noted that, contrary to what was envisaged at the beginning of the negotiations, fisheries and agriculture products have been excluded from the scope of the agreements (Chapters 1 to 24 of the CN).

The texts have been the subject of technical scrutiny by Member State experts meeting within the Customs Code Committee (Origin Section).

Proposal for a

COUNCIL DECISION

concerning the approval of an agreement in the form of an exchange of letters between the Community and each of the EFTA countries that grants tariff preferences under the GSP (Norway and Switzerland), providing that goods originating in Norway or Switzerland shall be treated on their arrival on the customs territory of the Community as goods with content of Community origin (reciprocal agreement)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 thereof,

Having regard to Article 66(4) and (5) of Commission Regulation (EEC) No 2454/93 of 2 July 1993,¹ as last amended by Commission Regulation (EC) No 1602/2000 of 24 July 2000,²

Whereas:

- (1) To enable the Community, Swiss and Norwegian customs authorities to issue replacement Form A certificates of origin to facilitate the movement of goods originating in developing countries which benefit from the generalised preferences granted by the Community, Switzerland and Norway, an agreement should be concluded between the Community, Switzerland and Norway under which they mutually recognise their components as originating in the developing countries concerned under the bilateral cumulation of origin rules.
- (2) Further to the mandate given by the Council to the Commission on 29 March 1996, negotiations to that effect took place between the European Community, Switzerland and Norway and led to an agreement in the form of an exchange of letters which it is in the Community's interest to approve.

¹ OJ L 253, 11.10.1993, p. 1.

² OJ L 188, 26.7.2000, p. 1.

HAS DECIDED AS FOLLOWS:

Article 1

The agreement in the form of an exchange of letters between the European Community, Switzerland and Norway, which is intended to enable the Community, Swiss and Norwegian customs authorities to issue replacement Form A certificates of origin to facilitate the movement of goods originating in developing countries which benefit from the generalised preferences granted by the Community, Switzerland and Norway, is hereby approved on behalf of the Community. The text of the agreement in the form of an exchange of letters is attached to this decision.

Article 2

The President of the Council is hereby authorised to designate the person(s) authorised to sign the Agreement in the form of an Exchange of Letters referred to in Article 1.

Article 3

The President of the Council shall, on behalf of the Community, give the notification provided for by the Agreement in the form of an Exchange of Letters.

Done at Brussels,

*For the Council
The President*

ANNEX

AGREEMENT IN THE FORM OF AN EXCHANGE OF LETTERS

between the Community and each of the EFTA countries that grants tariff preferences under the GSP (Norway and Switzerland), providing that goods originating in Norway or Switzerland shall be treated on their arrival on the customs territory of the Community as goods with content of Community origin (reciprocal agreement)

A. Letter from the European Community

Dear Sir,

1. The European Community and Switzerland acknowledge that each Party applies similar rules of origin, for the purposes of the Generalised System of Preferences (GSP), with the following general principles:
 - definition of the concept of originating products based on the same criteria;
 - provision for regional cumulation of origin;
 - provisions for applying cumulation to materials which originate, in terms of the GSP-rules, in the European Community, Switzerland or Norway;
 - a percentage-tolerance for non-originating materials;
 - provisions for direct transport of goods from the beneficiary country;
 - provisions for the issue and acceptance of replacement certificates of origin Form A (hereinafter referred to as replacement certificates);
 - requirement for administrative co-operation, with the competent authorities in the beneficiary countries, on the matter of certificates of origin Form A.

2. The European Community and Switzerland recognise that materials, originating in the European Community, in Switzerland or in Norway (in terms of the GSP-rules), which, in a GSP-beneficiary country, have been processed and incorporated into a product originating in a GSP-beneficiary country, shall be considered as originating in that beneficiary country.

The customs authorities of the European Community, Switzerland or Norway shall provide each other with any appropriate administrative assistance, particularly for the purposes of subsequent verification of the movement certificate EUR.1 corresponding to the materials mentioned under above paragraph. The provisions concerning administrative co-operation laid down in Protocol 3 to the Agreement EC-Switzerland, in Annex B of the EFTA Convention or in Protocol 4 of the Agreement on the European Economic Area are to be applied *mutatis mutandis*.

The provisions of this paragraph shall not apply to products of Chapters 1 to 24 of the Harmonized System.

3. The European Community and Switzerland hereby undertake, by mutual agreement, to accept replacement certificates, issued by each other's customs authorities to replace certificates of origin Form A issued by the competent authorities of a GSP-beneficiary country, under the following conditions:
 - this procedure shall apply only to certificates of origin Form A, and not to any other document certifying origin;
 - the replacement certificate shall be issued at the re-exporter's written request;

- the goods shall have remained under customs supervision in the European Community or in Switzerland, as the case may be, and shall not have been subject to operations other than unloading, reloading, splitting of consignments or any operation designed to preserve them in good condition;
- the customs office, under whose control the goods are placed, shall write off the corresponding amount against the original certificate of origin Form A and enter on it the serial number(s) of the corresponding replacement certificate(s);
- the goods concerned shall not be subject to a derogation from the rules of origin;
- the customs authorities of the European Community and of Switzerland shall provide each other with any appropriate administrative assistance, particularly for the purposes of subsequent verification; in particular, and at the request of the country of destination, the authorities of the country in which the replacement certificate is issued shall carry out the procedure for the subsequent verification of the corresponding original certificate of origin Form A.

4. The replacement certificate shall be established in the following manner :

- the top right-hand box of the replacement certificate shall indicate the name of the intermediary country where it is issued;
- box 4 shall contain the words "replacement certificate" or "certificat de remplacement", as well as the date of issue of the original certificate of origin Form A and its serial number;
- the name of the re-exporter shall be given in box 1;
- the name of the final consignee may be given in box 2;
- all particulars of the re-exported products appearing on the original certificate must be transferred to boxes 3 to 9;
- references to the re-exporter's invoice must be given in box 10;
- the customs authority which issued the replacement certificate shall endorse box 11. The responsibility of the authority is confined to the issue of the replacement certificate. The particulars in box 12 concerning the country of origin and the country of destination shall be taken from the original certificate of origin Form A. This box shall be signed by the re-exporter. A re-exporter who signs this box in good faith shall not be responsible for the accuracy of the particulars entered on the original certificate of origin Form A;
- the customs office which is requested to perform the operation should note on the original certificate of origin Form A the weights, numbers and nature of the goods forwarded and indicate thereon the serial numbers of the corresponding replacement certificate or certificates. It shall keep the request of the replacement certificate as well as the original certificate of origin Form A for at least three years;

- a photocopy of the original certificate of origin Form A may be annexed to the replacement certificate.
5. In the event of serious misgivings as to the proper functioning of this Agreement, either Party may suspend its application. In this case, the designated authorities of the other Party shall be notified in advance.
 6. This Agreement shall enter into force on a mutually-agreed date, once the European Community and Switzerland have notified each other of the completion of the internal procedures required for the incorporation, into their respective GSP-schemes, of the provision for cumulation with each other's originating materials.

I would be grateful if your Government would confirm its agreement to the foregoing.

Done at Brussels,

*On behalf of the Council
of the European Union*

B. Letter from Switzerland

Dear Sir,

I have the honour to acknowledge receipt of your letter which reads as follows:

1. The European Community and Switzerland acknowledge that each Party applies similar rules of origin, for the purposes of the Generalized System of Preferences (GSP), with the following general principles:
 - definition of the concept of originating products based on the same criteria;
 - provision for regional cumulation of origin;
 - provisions for applying cumulation to materials which originate, in terms of the GSP-rules, in the European Community, Switzerland or Norway;
 - a percentage-tolerance for non-originating materials;
 - provisions for direct transport of goods from the beneficiary country;
 - provisions for the issue and acceptance of replacement certificates of origin Form A (hereinafter referred to as replacement certificates);
 - requirement for administrative co-operation, with the competent authorities in the beneficiary countries, on the matter of certificates of origin Form A.
2. The European Community and Switzerland recognise that materials, originating in the European Community, in Switzerland or in Norway (in terms of the GSP-rules), which, in a GSP-beneficiary country, have been processed and incorporated into a product originating in a GSP-beneficiary country, shall be considered as originating in that beneficiary country.

The customs authorities of the European Community, Switzerland or Norway shall provide each other with any appropriate administrative assistance, particularly for the purposes of subsequent verification of the movement certificate EUR.1 corresponding to the materials mentioned under above paragraph. The provisions concerning administrative co-operation laid down in Protocol 3 to the Agreement EC-Switzerland, in Annex B of the EFTA Convention or in Protocol 4 of the Agreement on the European Economic Area are to be applied *mutatis mutandis*.

The provisions of this paragraph shall not apply to products of Chapters 1 to 24 of the Harmonised System.

3. The European Community and Switzerland hereby undertake, by mutual agreement, to accept replacement certificates, issued by each other's customs authorities to replace certificates of origin Form A issued by the competent authorities of a GSP-beneficiary country, under the following conditions:
 - this procedure shall apply only to certificates of origin Form A, and not to any other document certifying origin;

- the replacement certificate shall be issued at the re-exporter's written request;
- the goods shall have remained under customs supervision in the European Community or in Switzerland, as the case may be, and shall not have been subject to operations other than unloading, reloading, splitting of consignments or any operation designed to preserve them in good condition;
- the customs office, under whose control the goods are placed, shall write off the corresponding amount against the original certificate of origin Form A and enter on it the serial number(s) of the corresponding replacement certificate(s);
- the goods concerned shall not be subject to a derogation from the rules of origin;
- the customs authorities of the European Community and of Switzerland shall provide each other with any appropriate administrative assistance, particularly for the purposes of subsequent verification; in particular, and at the request of the country of destination, the authorities of the country in which the replacement certificate is issued shall carry out the procedure for the subsequent verification of the corresponding original certificate of origin Form A.

4. The replacement certificate shall be established in the following manner :

- the top right-hand box of the replacement certificate shall indicate the name of the intermediary country where it is issued;
- box 4 shall contain the words "replacement certificate" or "certificat de remplacement", as well as the date of issue of the original certificate of origin Form A and its serial number;
- the name of the re-exporter shall be given in box 1;
- the name of the final consignee may be given in box 2;
- all particulars of the re-exported products appearing on the original certificate must be transferred to boxes 3 to 9;
- references to the re-exporter's invoice must be given in box 10;
- the customs authority which issued the replacement certificate shall endorse box 11. The responsibility of the authority is confined to the issue of the replacement certificate. The particulars in box 12 concerning the country of origin and the country of destination shall be taken from the original certificate of origin Form A. This box shall be signed by the re-exporter. A re-exporter who signs this box in good faith shall not be responsible for the accuracy of the particulars entered on the original certificate of origin Form A;
- the customs office which is requested to perform the operation should note on the original certificate of origin Form A the weights, numbers and nature of the goods forwarded and indicate thereon the serial numbers of the corresponding replacement certificate or certificates. It shall keep the request of the

replacement certificate as well as the original certificate of origin Form A for at least three years;

- a photocopy of the original certificate of origin Form A may be annexed to the replacement certificate.
5. In the event of serious misgivings as to the proper functioning of this Agreement, either Party may suspend its application. In this case, the designated authorities of the other Party shall be notified in advance.
 6. This Agreement shall enter into force on a mutually-agreed date, once the European Community and Switzerland have notified each other of the completion of the internal procedures required for the incorporation, into their respective GSP-schemes, of the provision for cumulation with each other's originating materials.

I would be grateful if your Government would confirm its agreement to the foregoing."

I have the honour to confirm the agreement of my Government to the above.

Done at Brussels,

*On behalf of the Federal Council
of the Swiss Confederation*

A. Letter from the European Community

Dear Sir,

1. The European Community and Norway acknowledge that each Party applies similar rules of origin, for the purposes of the Generalised System of Preferences (GSP), with the following general principles:
 - definition of the concept of originating products based on the same criteria;
 - provision for regional cumulation of origin;
 - provisions for applying cumulation to materials which originate, in terms of the GSP-rules, in the European Community, Norway or Switzerland;
 - a percentage-tolerance for non-originating materials;
 - provisions for direct transport of goods from the beneficiary country;
 - provisions for the issue and acceptance of replacement certificates of origin Form A (hereinafter referred to as replacement certificates);
 - requirement for administrative co-operation, with the competent authorities in the beneficiary countries, on the matter of certificates of origin Form A.
2. The European Community and Norway recognise that materials, originating in the European Community, in Norway or in Switzerland (in terms of the GSP-rules), which, in a GSP-beneficiary country, have been processed and incorporated into a product originating in a GSP-beneficiary country, shall be considered as originating in that beneficiary country.

The customs authorities of the European Community, Norway or Switzerland shall provide each other with any appropriate administrative assistance, particularly for the purposes of subsequent verification of the movement certificate EUR.1 corresponding to the materials mentioned under above paragraph. The provisions concerning administrative co-operation laid down in Protocol 3 to the Agreement EC-Switzerland, in Annex B of the EFTA Convention or in Protocol 4 of the Agreement on the European Economic Area are to be applied *mutatis mutandis*.

The provisions of this paragraph shall not apply to products of Chapters 1 to 24 of the Harmonised System.

3. The European Community and Norway hereby undertake, by mutual agreement, to accept replacement certificates, issued by each other's customs authorities to replace certificates of origin Form A issued by the competent authorities of a GSP-beneficiary country, under the following conditions:
 - this procedure shall apply only to certificates of origin Form A, and not to any other document certifying origin;
 - the replacement certificate shall be issued at the re-exporter's written request;

- the goods shall have remained under customs supervision in the European Community or in Norway, as the case may be, and shall not have been subject to operations other than unloading, reloading, splitting of consignments or any operation designed to preserve them in good condition;
- the customs office, under whose control the goods are placed, shall write off the corresponding amount against the original certificate of origin Form A and enter on it the serial number(s) of the corresponding replacement certificate(s);
- the goods concerned shall not be subject to a derogation from the rules of origin;
- the customs authorities of the European Community and of Norway shall provide each other with any appropriate administrative assistance, particularly for the purposes of subsequent verification; in particular, and at the request of the country of destination, the authorities of the country in which the replacement certificate is issued shall carry out the procedure for the subsequent verification of the corresponding original certificate of origin Form A.

4. The replacement certificate shall be established in the following manner :

- the top right-hand box of the replacement certificate shall indicate the name of the intermediary country where it is issued;
- box 4 shall contain the words "replacement certificate" or "certificat de remplacement", as well as the date of issue of the original certificate of origin Form A and its serial number;
- the name of the re-exporter shall be given in box 1;
- the name of the final consignee may be given in box 2;
- all particulars of the re-exported products appearing on the original certificate must be transferred to boxes 3 to 9;
- references to the re-exporter's invoice must be given in box 10;
- the customs authority which issued the replacement certificate shall endorse box 11. The responsibility of the authority is confined to the issue of the replacement certificate. The particulars in box 12 concerning the country of origin and the country of destination shall be taken from the original certificate of origin Form A. This box shall be signed by the re-exporter. A re-exporter who signs this box in good faith shall not be responsible for the accuracy of the particulars entered on the original certificate of origin Form A;
- the customs office which is requested to perform the operation should note on the original certificate of origin Form A the weights, numbers and nature of the goods forwarded and indicate thereon the serial numbers of the corresponding replacement certificate or certificates. It shall keep the request of the replacement certificate as well as the original certificate of origin Form A for at least three years;

- a photocopy of the original certificate of origin Form A may be annexed to the replacement certificate.
- 5. In the event of serious misgivings as to the proper functioning of this Agreement, either Party may suspend its application. In this case, the designated authorities of the other Party shall be notified in advance.
- 6. This Agreement shall enter into force on a mutually-agreed date, once the European Community and Norway have notified each other of the completion of the internal procedures required for the incorporation, into their respective GSP-schemes, of the provision for cumulation with each other's originating materials.

I would be grateful if your Government would confirm its agreement to the foregoing.

Done at Brussels,

*On behalf of the Council
of the European Union*

B. Letter from Norway

Dear Sir,

I have the honour to acknowledge receipt of your letter which reads as follows:

1. The European Community and Norway acknowledge that each Party applies similar rules of origin, for the purposes of the Generalised System of Preferences (GSP), with the following general principles:
 - definition of the concept of originating products based on the same criteria;
 - provision for regional cumulation of origin;
 - provisions for applying cumulation to materials which originate, in terms of the GSP-rules, in the European Community, Norway or Switzerland;
 - a percentage-tolerance for non-originating materials;
 - provisions for direct transport of goods from the beneficiary country;
 - provisions for the issue and acceptance of replacement certificates of origin Form A (hereinafter referred to as replacement certificates);
 - requirement for administrative co-operation, with the competent authorities in the beneficiary countries, on the matter of certificates of origin Form A.
2. The European Community and Norway recognise that materials, originating in the European Community, in Norway or in Switzerland (in terms of the GSP-rules), which, in a GSP-beneficiary country, have been processed and incorporated into a product originating in a GSP-beneficiary country, shall be considered as originating in that beneficiary country.

The customs authorities of the European Community, Norway or Switzerland shall provide each other with any appropriate administrative assistance, particularly for the purposes of subsequent verification of the movement certificate EUR.1 corresponding to the materials mentioned under above paragraph. The provisions concerning administrative co-operation laid down in Protocol 3 to the Agreement EC-Switzerland, in Annex B of the EFTA Convention or in Protocol 4 of the Agreement on the European Economic Area are to be applied *mutatis mutandis*.

The provisions of this paragraph shall not apply to products of Chapters 1 to 24 of the Harmonised System.

3. The European Community and Norway hereby undertake, by mutual agreement, to accept replacement certificates, issued by each other's customs authorities to replace certificates of origin Form A issued by the competent authorities of a GSP-beneficiary country, under the following conditions:
 - this procedure shall apply only to certificates of origin Form A, and not to any other document certifying origin;

- the replacement certificate shall be issued at the re-exporter's written request;
- the goods shall have remained under customs supervision in the European Community or in Norway, as the case may be, and shall not have been subject to operations other than unloading, reloading, splitting of consignments or any operation designed to preserve them in good condition;
- the customs office, under whose control the goods are placed, shall write off the corresponding amount against the original certificate of origin Form A and enter on it the serial number(s) of the corresponding replacement certificate(s);
- the goods concerned shall not be subject to a derogation from the rules of origin;
- the customs authorities of the European Community and of Norway shall provide each other with any appropriate administrative assistance, particularly for the purposes of subsequent verification; in particular, and at the request of the country of destination, the authorities of the country in which the replacement certificate is issued shall carry out the procedure for the subsequent verification of the corresponding original certificate of origin Form A.

4. The replacement certificate shall be established in the following manner:

- the top right-hand box of the replacement certificate shall indicate the name of the intermediary country where it is issued;
- box 4 shall contain the words "replacement certificate" or "certificat de remplacement", as well as the date of issue of the original certificate of origin Form A and its serial number;
- the name of the re-exporter shall be given in box 1;
- the name of the final consignee may be given in box 2;
- all particulars of the re-exported products appearing on the original certificate must be transferred to boxes 3 to 9;
- references to the re-exporter's invoice must be given in box 10;
- the customs authority which issued the replacement certificate shall endorse box 11. The responsibility of the authority is confined to the issue of the replacement certificate. The particulars in box 12 concerning the country of origin and the country of destination shall be taken from the original certificate of origin Form A. This box shall be signed by the re-exporter. A re-exporter who signs this box in good faith shall not be responsible for the accuracy of the particulars entered on the original certificate of origin Form A;
- the customs office which is requested to perform the operation should note on the original certificate of origin Form A the weights, numbers and nature of the goods forwarded and indicate thereon the serial numbers of the corresponding replacement certificate or certificates. It shall keep the request of the

replacement certificate as well as the original certificate of origin Form A for at least three years;

- a photocopy of the original certificate of origin Form A may be annexed to the replacement certificate.
5. In the event of serious misgivings as to the proper functioning of this Agreement, either Party may suspend its application. In this case, the designated authorities of the other Party shall be notified in advance.
 6. This Agreement shall enter into force on a mutually-agreed date, once the European Community and Norway have notified each other of the completion of the internal procedures required for the incorporation, into their respective GSP-schemes, of the provision for cumulation with each other's originating materials.

I would be grateful if your Government would confirm its agreement to the foregoing."

I have the honour to confirm the agreement of my Government to the above.

Done at Brussels,

*On behalf of the Government
of the Kingdom of Norway*

FINANCIAL STATEMENT

1. TITLE OF OPERATION

Draft Council Decision approving an agreement in the form of an exchange of letters between the Community and each of the EFTA countries that grants tariff preferences under the GSP (Norway and Switzerland), providing that goods originating in Norway or Switzerland shall be treated on their arrival on the customs territory of the Community as goods with content of Community origin (reciprocal agreement).

2. BUDGET HEADING INVOLVED

This agreement is financially neutral since it does not introduce any new tariff concessions.

3. LEGAL BASIS

Article 133 of the Treaty.

4. DESCRIPTION OF OPERATION

4.1 General objective

The agreement authorises mutual recognition of components from Switzerland, Norway and the Community in the context of movement of goods eligible for generalised tariff preferences where the goods meet the origin criteria because of components originating from these preference-granting countries.

4.2 Period covered and arrangements for renewal or extension

No time limit

5. FRAUD PREVENTION MEASURES

Item 5 of the agreement provides for the possibility of suspending the agreement where doubt arises as to its correct application.

6. ADMINISTRATIVE EXPENDITURE (PART A OF SECTION III OF THE GENERAL BUDGET)

6.1 Overall financial impact in terms of additional human resources

None. Decentralised administration (national customs).

IMPACT ASSESSMENT FORM

IMPACT OF THE PROPOSAL ON BUSINESS WITH SPECIAL REFERENCE TO SMALL AND MEDIUM-SIZED ENTERPRISES (SMEs)

1. TITLE OF PROPOSAL

Draft Council Decision approving an agreement in the form of an exchange of letters between the Community and each of the EFTA countries that grants tariff preferences under the GSP (Norway and Switzerland), providing that goods originating in Norway or Switzerland shall be treated on their arrival on the customs territory of the Community as goods with content of Community origin (reciprocal agreement).

2. DOCUMENT REFERENCE NUMBER

TAXUD/2080/99

3. PROPOSAL

Taking account of the principle of subsidiarity, why is Community legislation necessary in this area and what are its main aims?

In the context of free movement between the EU, Switzerland and Norway, this measure will facilitate trade in that area for goods from developing countries.

THE IMPACT ON BUSINESS

- Who will be affected by the proposal?

Economic operators

- which sectors of business?

Importers

- which sizes of business (what is the concentration of small and medium-sized firms)?

All sizes

- are there particular geographical areas of the Community where these businesses are found?

No

- what will business have to do to comply with the proposal?

Nothing

- does the proposal contain measures to take account of the specific situation of small and medium-sized firms (reduced or different requirements etc)?

No