

EUROPEAN COMMISSION DIRECTORATE-GENERAL FOR MARITIME AFFAIRS AND FISHERIES

THE DIRECTOR-GENERAL

Brussels, 07.08.2008 D 09331

Mr. Antonio CABRAL Long Distance RAC C/ Velázquez 41, 4° C 28001 Madrid ESPANA

Subject: LDRAC advice on the harmonisation of preferential regimes

Dear Mr. Cabral,

I thank you for your contribution on the harmonisation of the rules of origin of the preferential regimes.

I have taken note of the LDRAC's favourable approach towards cumulation amongst different Economic Partnership Agreements (EPAs) signatories. In this regard, cumulation between EPAs and neighbouring developing countries and regions is foreseen in a number of draft EPAs provided that, among others, customs cooperation agreements are in place between the relevant parties. Only such commitments will be able to strengthen the control and verification measures necessary for an appropriate allocation of preferential origin. During the discussions on rules of origin applicable to fishery products with our ACP partners in the framework of the EPAs, the Commission has presented on a number of occasions the advantages of adopting such a harmonised system of rules of origin.

While cumulation among the EPA regions is one clear advantage of a harmonised system of rules of origin, it has to be underlined that EPAs are partnership agreements negotiated on a bilateral basis. In this respect, ACP partners do not necessarily adopt the same approach towards rules of origin and they might seek to favour a set of rules better tailored to the specific needs of the given region.

I have taken note of the LDRAC position on the crew criterion in the light of the ongoing GSP reform. However, during internal and external consultations carried out by the Commission, some partners have raised concerns about the potential negative impact in development terms should the crew criterion be totally deleted. Discussions are currently ongoing with Member States within the Customs Code Committee – Origin Section.

I have also taken note of your reference to cumulation among GSP, GSP+ and ACP countries. While it is our intention to keep a general coherence in the fish specific origin

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I have also taken note of your reference to cumulation among GSP, GSP+ and ACP countries. While it is our intention to keep a general coherence in the fish specific origin rules among the different preferential arrangements, the cumulation instrument or respect of the vessels conditions by different countries is a wider technical issue which require fulfilment of certain pre-conditions: identical rules and arrangements for administrative cooperation throughout the cumulation zone. Without the aforementioned conditions being met, there is no possibility to control how preferential origin is allocated. Keeping in mind that GSP rules of origin are of an autonomous nature and the EPA rules are reciprocal (international agreement), the implications of the creation of wider cumulation zones in the framework of the GSP/EPA context appear to be very significant and require a technical assessment going beyond DG MARE's area of responsibility.

I have transmitted your position to the other relevant Commission services to feed the ongoing discussions on the GSP reform since such assessment would fall within DG TAXUD's competence as regards the technical aspects and DG TRADE's remit as regards the trade policy aspects.

Yours sincerely,

Fokion Fotiadis