



Conference of Committee Chairs  
The Chair

Mr Jerzy BUZEK  
President of the  
European Parliament

203849 28.09.2011

Geda ref.: D(2011)46039

**Subject:** Request for association under Rule 50 by the Committee on Committee on Development (DEVE) to a legislative report by the Committee on Committee on International Trade (INTA) entitled "Proposal for a Regulation of the European Parliament and of the Council applying a scheme of generalised tariff preferences" (COM(2010)0241 - 2011/0117(COD))

Dear President,

By letter dated 15 June 2011, the Committee on Development (DEVE) has requested association, under Rule 50 of the Rules of Procedure, to the above-mentioned legislative report which was referred to the Committee on International Trade (INTA) by plenary on 7 June 2011. The INTA Committee has opposed the DEVE Committee's request for association by letter dated 24 June 2011.

Despite the attached exchange of letters, bilateral contact between the committees and consideration in the Conference of Committee Chairs, it has not been possible to find a solution amenable to both Committees INTA and DEVE. It is therefore my duty, as Chair of the Conference of Committee Chairs, to make a recommendation concerning the DEVE request.

The DEVE Committee argues in its letter of 15 June that the proposal falls "at least equally" within its competence because:

- the Regulation exclusively covers developing countries with the aim of fostering "sustainable economic, social and environmental development of developing countries";
- the proposal signals a policy change in the EU trade preferences in favour of less developed countries;
- the proposal updates the GSP+ scheme which addresses the relationship with certain developing nations in light of their performance on good governance, as well as on human rights and environmental issues.

The DEVE Committee also admits, however, that it cannot claim exclusive competence over any part of the proposal, and that any split according to INTA/DEVE competence would be "difficult".

The INTA Committee has opposed the DEVE request arguing that the generalised tariff preferences (GSP) constitute an autonomous trade arrangement through which the EU provides non-reciprocal preferential access to the EU market for developing countries and territories. The legal basis is the common commercial policy (Art. 207 TFEU), and INTA has been responsible for the two previous GSP regulations without the association of DEVE under Rule 50.

As you will recall, Annex VII of the Rules of Procedure attributes the competences of the two committees as follows:

INTA: *"matters relating to the establishment and implementation of the Union's common commercial policy and its external economic relations, in particular:*

*1. financial, economic and trade relations with third countries and regional organisations;"*

DEVE: *"1. the promotion, implementation and monitoring of the development and cooperation policy of the Union, notably:*

*(b) aid to, and cooperation agreements with, developing countries,*

*(c) promotion of democratic values, good governance and human rights in developing countries;"*

Further, the Rules of Procedure state that Rule 50 is only applied where:

*"the matter falls almost equally within the competence of two or more committees, or [where] different parts of the matter fall under the competence of two or more committees".*

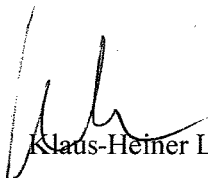
As both committees agree that the proposal cannot be divided according to their respective competences, it remains to be established whether the matter can be said to fall "almost equally within the competence of [the] two (...) committees".

The proposal concerns preferential access to the market of the European Union and the measures contained therein are all trade measures. As in the existing GSP Regulation, the proposal provides for different types of tariff preferences according to level of development and achievements in sustainable development and good governance in the third countries targeted, but although these countries are exclusively developing countries, the measures applied are all trade and tariff measures. This is consistent with the legal base of the proposal which is solely Art. 207 TFEU and hence does not contain any development policy reference.

As the legal base and the measures contained in the proposal univocally indicate that the nature of this proposal is a trade measure, I do not see that the condition of equal competence can be said to be fulfilled. It must also be recalled that the INTA Committee was responsible for the latest revision of the existing regulation (2007/0289(CNS)) with the DEVE Committee delivering an opinion under what is now Rule 49 - a solution which seems plausible also in the present case.

I therefore recommend to the Conference of Presidents that the request of the DEVE Committee for association under Rule 50 be rejected.

Yours sincerely,



Klaus-Heiner LEHNE

cc: Mr Vital MOREIRA, Chair of the Committee on International Trade  
Mrs Eva JOLY, Chair of the Committee on Development

*Annexes*



310604    24.06.2011

Committee on International Trade  
The Chairman

HHR/jk  
D(2011)32945

Mr. Klaus-Heiner Lehne  
Chairman of the Conference of Committee Chairs  
European Parliament

**Subject: Request by DEVE for the application of Rule 50 of the Rules of Procedure on the proposal for a regulation of the European Parliament and the Council applying a scheme of generalized tariff preferences COM (2011) 241 final**

Dear Mr Lehne,

In a letter dated 15 June 2011, Ms Eva Joly, Chairperson of the Committee on Development (DEVE), requests that her committee should be granted the status of associated committee according to Rule 50 of the Rules of Procedure, for the regulation on EU's scheme of generalized tariff presences, the GSP.

The GSP is an autonomous trade arrangement through which the EU provides non-reciprocal preferential access to the EU market for developing countries and territories. Since 1971, the EU has had rules ensuring that exporters from developing countries pay lower duties (or no duties) on some or all of what they sell to the EU, contributing to the growth of their economies. It has been implemented over cycles of ten years, through successive Council Regulations. The legal basis for these Council Regulations has in the past been Article 133 of the EC Treaty. The basic objectives and implementing instruments of the GSP during the period 2006-15 were set out in a Commission Communication (COM (2004)461).

Following the entry into force of the Lisbon Treaty, the legal basis for this proposal is now Article 207 of the TFEU (Common Commercial Policy) and therefore subject to the ordinary legislative procedure. While the legislative proposal in question does propose major changes compared to the current scheme, the framework is still the same.

In her letter, Ms Joly argues that this proposal would fall at least equally within the competences of DEVE, which we would like to contest on several grounds.

According to the Rules of Procedures, INTA is responsible for *matters relating to the establishment and implementation of the Union's common commercial policy and its external economic relations, in particular financial, economic and trade relations with third countries and regional organisations*. This includes of course also trade relations with developing countries.

DEVE's request is based mainly on the objectives of the regulation, which actually have to do with development. But, the attribution of responsibilities of dossiers in the Committee pursuant to the rules of procedure is not based on the objectives of a proposal, but on the nature of the measure proposed, and the substance as attested by its content.

Since the creation of the Committee on International Trade, INTA has been the lead committee for the successive GSP regulations and related dossiers. DEVE was not an associated committee for the regulation in 2008, (Council Regulation (EC) No 732/2008) or for the more recent roll-over of this legal instrument, Regulation (EU) No 512/2011, extending the previous regulation.

As mentioned, the legal basis for the proposal is Art. 207 TFEU (ex Article 133 TEC), which establishes the Common Commercial Policy. The full name of the proposal is *"Proposal for a regulation of the European Parliament and the Council applying a scheme of generalized tariff preferences."* Tariff preferences are an essential instrument of the trade policy, and therefore among the competences of INTA. In fact, the GSP is an exception to the MFN clause, whereby all WTO Members should be treated equally, and must therefore comply with the Enabling Clause of the WTO rules. This belongs to the core of the trade policy of the Union.

The GSP is a 100% trade instrument, and as such, it should be guided by the principles and pursue the objectives set out in the general provisions governing the Union's external action, as laid down in Article 21 of TFEU. The Common Commercial Policy should, of course, also be consistent with, and consolidate, the objectives of development policy, but this does not turn it into a development competence.

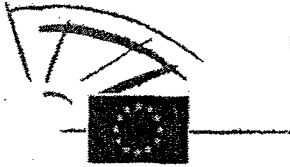
Finally, the proposal is one single instrument - a trade instrument to help developing countries to participate more fully in international trade and generate additional export revenue - and, as DEVE rightly points out, it is almost impossible to split the proposal and to define different parts of the legislative proposal which would be under exclusive, or even joint competences of the committees concerned. We are therefore of the view that, in addition to the arguments already indicated, the Rule 50 would be in this case, almost unworkable.

In view of the above, I would therefore ask you to reject the request by the Committee on Development for the application of Rule 50 for this file. We do, however, acknowledge the role of DEVE as regards relations with developing countries, and look forward to a close cooperation between the two committees on this important file, through an opinion by DEVE in accordance with Rule 49 of the rules of procedure, which will, of course, be taken into due account by INTA.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Vital Moreira', with a stylized, cursive script.

Vital Moreira



ЕВРОПЕЙСКИ ПАРЛАМЕНТ PARLAMENTO EUROPEO EVROPSKÝ PARLAMENT EUROPA-PARLAMENTET  
EUROPÄISCHES PARLAMENT EUROOPA PARLAMENT ΕΥΡΩΠΑΪΚΟ ΚΟΙΝΟΒΟΥΛΙΟ EUROPEAN PARLIAMENT  
PARLEMENT EUROPÉEN PARLAIMINT NA ĦEORPA PARLAMENTO EUROPEO EIROPAS PARLAMENTS  
EUROPOS PARLAMENTAS EURÓPAI PARLAMENT IL-PARLAMENT EWROPEW EUROPEES PARLEMENT  
PARLAMENT EUROPEJSKI PARLAMENTO EUROPEU PARLAMENTUL EUROPEAN  
EURÓPSKY PARLAMENT EVROPSKI PARLAMENT EUROOPAN PARLAMENTTI EUROPAPARLAMENTET

Committee on Development  
The Chair

Mr Klaus-Heiner Lehne  
Chair of the Conference of Committee Chairs  
European Parliament

309881 15.06.2011

**Subject: Request for associated committee status (Rule 50) on the proposal for a regulation of the European Parliament and the Council applying a scheme of generalized tariff preferences COM(2011)241 final**

Dear Chair,

The European Commission has published a proposal updating the regulation on the EU's scheme of generalised tariff preferences for developing countries (GSP), which expires at the end of 2013.

The proposal has been referred to Parliament and INTA has been designated lead committee. DEVE requests associated committee status for this file (rule 50) as we consider it falls at least equally within our competence.

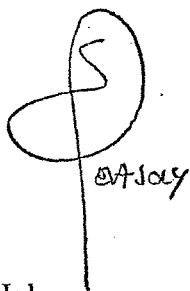
1. GSP exclusively covers developing countries. Its stated aim is "to foster the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty."
2. The Commission's proposal looks to rethink the EU's trade preferences where emerging economies are concerned, in favour of less developed countries. This policy realignment clearly has substantial implications for the EU's relations with developing nations and for its development policy as a whole.
3. The proposal also updates the GSP+ scheme which addresses our relationship with certain developing nations in the light of their performance on good governance, as well as human rights and environmental issues. These areas are likewise key aspects of the EU's development policy and indeed areas in which DEVE has been consistently and extensively active.

./..

Given that the Commission proposal is broken down broadly into general provisions on the GSP scheme, provisions governing GSP+ and relations with least developed countries, it is difficult to pinpoint a specific split as regards DEVE-INTA competences. However, I am fully confident that constructive cooperation between our two committees would lead to a mutually satisfactory agreement on how to proceed.

I very much hope that the Conference of Committee Chairs will be able to agree to our request.

Yours sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'E' followed by 'Joly'.

Eva Joly

Copy: Mr Vital Moreira (Chair, INTA Committee)  
IP Coordleg