

<b>FINANCIAL STATEMENT</b>		[...]			
		DATE: 20.10.2004			
1.	BUDGET HEADING: [...]	APPROPRIATIONS: [...]			
2.	TITLE: Council Regulation applying a scheme of generalised tariff preferences				
3.	LEGAL BASIS: [...]				
4.	AIMS:  The aim of the proposed Regulation is to apply a scheme of generalised tariff preferences for the first cycle of the decade from 1.7.2005 to 2015.				
5.	FINANCIAL IMPLICATIONS	12 MONTH PERIOD  (EUR million)	CURRENT FINANCIAL YEAR [n] (EUR million)	FOLLOWING FINANCIAL YEAR [n+1] (EUR million)	
5.0	EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER	[...]	[...]	[...]	
5.1	REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	[...]	[...]	[...]	
		[n+2]	[n+3]	[n+4]	[n+5]
5.0.1	ESTIMATED EXPENDITURE	[...]	[...]	[...]	[...]
5.1.1	ESTIMATED REVENUE	[...]	[...]	[...]	[...]
5.2	METHOD OF CALCULATION: [...]				
6.0	CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?				YES NO
6.1	CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?				YES NO
6.2	WILL A SUPPLEMENTARY BUDGET BE NECESSARY?				YES NO
6.3	WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?				YES NO
OBSERVATIONS:					
<p>The regulation does not incur costs charged to the EC budget. Its application does, however, entail loss of customs revenue. The annual loss of customs revenue for the draft regulation is estimated to be EUR 2,2 billion (based on GSP statistics for the year 2003).</p> <p>The proposed regulation entails some changes with respect to the current one. These relate to changes in the graduation mechanism and establishing a new special arrangement for sustainable developed (merging three previous arrangements). The draft regulation also proposes extending the product coverage by including in the general arrangement some products covered by the previous drug regime and in the new incentive arrangement products of the previous drug regime as well as some products previously covered only by the general arrangement. It is not expected that these changes would mean a significant change in loss of revenue compared to the present situation.</p>					