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Basic information		
INI - Own-initiative procedure	2018/2107(INI)	Procedure completed
Implementation of the GSP Regulation No 978/2012		
See also 2011/0117(COD)		
Subject 6.30.01 Generalised scheme of tariff preferences (GSP), rules of origin		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 International Trade		19/02/2018
		 FJELLNER Christofer	
		Shadow rapporteur	
		 MOSCA Alessia Maria	
		 KARIM Sajjad	
		 LALONDE Patricia	
		 HAUTALA Heidi	
		 BEGHIN Tiziana	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Foreign Affairs		21/03/2018
		 PANZERI Pier Antonio	
	 Development		19/09/2018
		 ENGEL Frank	
European Commission	Commission DG Trade	Commissioner MALMSTRÖM Cecilia	

Key events			
14/06/2018	Committee referral announced in Parliament		
19/02/2019	Vote in committee		

26/02/2019	Committee report tabled for plenary	A8-0090/2019	Summary
14/03/2019	Results of vote in Parliament		
14/03/2019	Debate in Parliament		
14/03/2019	Decision by Parliament	T8-0207/2019	Summary
14/03/2019	End of procedure in Parliament		

Technical information

Procedure reference	2018/2107(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Implementation
	See also 2011/0117(COD)
Legal basis	Rules of Procedure EP 54
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	INTA/8/13373

Documentation gateway

Committee draft report		PE630.395	26/11/2018	EP	
Amendments tabled in committee		PE632.690	19/12/2018	EP	
Committee opinion	AFET	PE623.949	23/01/2019	EP	
Committee opinion	DEVE	PE629.507	24/01/2019	EP	
Committee report tabled for plenary, single reading		A8-0090/2019	26/02/2019	EP	Summary
Text adopted by Parliament, single reading		T8-0207/2019	14/03/2019	EP	Summary
Commission response to text adopted in plenary		SP(2019)444	30/08/2019	EC	

Implementation of the GSP Regulation No 978/2012

The Committee on International Trade adopted an own-initiative report on the implementation of Regulation (EU) No 978/2012 on the Generalised Scheme of Tariff Preferences (GSP).

As a reminder, the scheme contains three arrangements:

- the general GSP scheme: currently 18 countries benefit from reduced customs duties on 66 % of all EU product categories;
- the GSP+ incentive scheme: the eight GSP+ beneficiaries export around 66 % of all product categories duty-free in return for their commitment to effectively implement 27 international core conventions that cover labour rights, human rights, good governance and environmental concerns;
- the Everything But Arms scheme (EBA): the 49 least developed countries (LDCs) under the EBA arrangement of GSP are granted duty-free access to the EU for all products, except arms and ammunition.

Conclusions

Members welcomed the fact that the new Regulation has seen an increase in exports from beneficiaries of the Everything But Arms (EBA) and GSP+ arrangements.

In 2016, EUR 62.6 billion worth of imports entered the EU under GSP preferences (a rising tendency), broken down as follows: EUR 31.6

billion from standard GSP beneficiaries, around EUR 7.5 billion from GSP+ beneficiaries and EUR 23.5 billion from EBA beneficiaries (Eurostat data as of September 2017).

The report stated that the GSP+ plays an important role in promoting international labour law, human rights, good governance and environmental protection standards in the beneficiary countries and that the GSP in economic terms benefits the beneficiary countries and the European Union in economic terms.

Main recommendations

The report emphasised, among other things, the following points:

- raise awareness of GSP rules in beneficiary countries and implement international conventions and reforms to prevent GSP programmes from promoting environmental and social dumping;
- ensure a reinforced, systematic and continuous monitoring of the implementation process through enhanced cooperation between all parties in order to improve information gathering and in-depth analysis by using all the available information and resources;
- explore other options for structured, formal and independent participation of civil society, trade unions and the private sector, which could help strengthen the monitoring process;
- add the Paris Agreement to the list of 27 fundamental international conventions that GSP+ beneficiary countries must comply with;
- strengthen coordination with the European External Action Service (EEAS), EU delegations, Member States' diplomatic missions, governments of beneficiary countries, international organisations, businesses, social partners and civil society, in order to improve information gathering provide more in-depth analysis of monitoring;
- maintain the current targeted approach for the withdrawal of preferences and ensure that these withdrawals are limited to specific sectors and are designed to minimise negative effects on the local population; the withdrawal of trade preferences should be considered as a measure of last resort;
- use conditionality to preserve the credibility of the mechanisms and ensure that action is taken in the event of severe and systematic violations of international conventions;
- consider various measures to increase diversification among beneficiaries. In this respect, the possibility of bring together countries that have been excluded from the GSP scheme should be reintroduced in the next GSP Regulation and ways should be considered to include services in the next GSP Regulation;
- create a favourable environment for women in business as the GSP has contributed to womens economic empowerment and promoted their participation in the labour market;
- provide measures to amplify the effect that the GSP has had on adopting cleaner and safer technologies and on voluntary corporate social responsibility initiative;
- explore the possibility of introducing additional tariff preferences for products that have demonstrably been produced sustainably.

Members recalled that the EU must encourage other international players, such as multinationals, to participate fully in improving respect for human rights, children's rights, social rights, environmental rights and public health in the world.

Implementation of the GSP Regulation No 978/2012

The European Parliament adopted by 545 votes to 37, with 14 abstentions, a resolution on the implementation of the Generalised Scheme Preferences (GSP) Regulation (EU) No 978/2012.

Background

The EU was the first to implement a GSP scheme in 1971 following the United Nations Conference on Trade and Development (UNCTAD) recommendation under which industrialised countries would grant generalised, non-reciprocal and non-discriminatory trade preferences to developing countries, thereby assisting them to generate additional revenue through international trade in an effort to reduce poverty, promote good governance and foster sustainable development.

The key objectives of the 2012 GSP reform were to better focus on countries in need the LDCs and other low and lower-income countries further promote the core principles of sustainable development and good governance, enhance stability and predictability, and improve certainty for business operators.

As a reminder, the scheme contains three arrangements:

- the general GSP scheme: currently 18 countries benefit from reduced customs duties on 66 % of all EU product categories;
- the GSP+ incentive scheme: the eight GSP+ beneficiaries export around 66 % of all product categories duty-free in return for their commitment to effectively implement 27 international core conventions that cover labour rights, human rights, good governance and environmental concerns;
- the Everything But Arms scheme (EBA): the 49 least developed countries (LDCs) under the EBA arrangement of GSP are granted duty-free access to the EU for all products, except arms and ammunition.

Conclusions

Parliament welcomed the fact that the new Regulation has seen an increase in exports from beneficiaries of the Everything But Arms (EBA) and GSP+ arrangements.

In 2016, EUR 62.6 billion worth of imports entered the EU under GSP preferences (a rising tendency), broken down as follows: EUR 31.6 billion from standard GSP beneficiaries, around EUR 7.5 billion from GSP+ beneficiaries and EUR 23.5 billion from EBA beneficiaries (Eurostat data as of September 2017).

The resolution stated that the GSP+ plays an important role in promoting international labour law, human rights, good governance and environmental protection standards in the beneficiary countries and that the GSP in economic terms benefits the beneficiary countries and the

European Union in economic terms.

Main recommendations

Parliament emphasised, among other things, the following points:

- raise awareness of GSP rules in beneficiary countries and implement international conventions and reforms to prevent GSP programmes from promoting environmental and social dumping;
- ensure a reinforced, systematic and continuous monitoring of the implementation process through enhanced cooperation between all parties in order to improve information gathering and in-depth analysis by using all the available information and resources;
- explore other options for structured, formal and independent participation of civil society, trade unions and the private sector, which could help strengthen the monitoring process;
- add the Paris Agreement to the list of 27 fundamental international conventions that GSP+ beneficiary countries must comply with;
- strengthen coordination with the European External Action Service (EEAS), EU delegations, Member States' diplomatic missions, governments of beneficiary countries, international organisations, businesses, social partners and civil society, in order to improve information gathering provide more in-depth analysis of monitoring;
- maintain the current targeted approach for the withdrawal of preferences and ensure that these withdrawals are limited to specific sectors and are designed to minimise negative effects on the local population; the withdrawal of trade preferences should be considered as a measure of last resort;
- use conditionality to preserve the credibility of the mechanisms and ensure that action is taken in the event of severe and systematic violations of international conventions;
- consider various measures to increase diversification among beneficiaries. In this respect, the possibility of bring together countries that have been excluded from the GSP scheme should be reintroduced in the next GSP Regulation and ways should be considered to include services in the next GSP Regulation;
- create a favourable environment for women in business as the GSP has contributed to womens economic empowerment and promoted their participation in the labour market;
- invite beneficiaries to apply labour standards effectively and the Commission to respond to violations of International Labour Organisation (ILO) standards;
- provide measures to amplify the effect that the GSP has had on adopting cleaner and safer technologies and on voluntary corporate social responsibility initiative;
- explore the possibility of introducing additional tariff preferences for products that have demonstrably been produced sustainably.

Members recalled that the EU must encourage other international players, such as multinationals, to participate fully in improving respect for human rights, children's rights, social rights, environmental rights and public health in the world.