

# Online Public Consultation on a new Regulation establishing the European Union's Generalised Scheme of Preferences (GSP)

Fields marked with \* are mandatory.

## A

### Introduction

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#### About the EU Generalised Scheme of Preferences (GSP)

In 1971, the EU introduced a Generalised Scheme of Preferences (GSP) as part of its external trade policy. The rationale of the GSP is to offer easier access to the EU market in order to promote sustainable economic, social and environmental development in developing countries – in particular, the poorest and most vulnerable ones – with the primary objective of reducing poverty. Increased access to the EU market helps developing countries generate additional revenue through international trade, which can be reinvested to foster sustainable development, including the promotion and protection of human rights and labour rights and diversify their economies.

The GSP scheme offers easier access to the EU market for goods exported from developing countries by eliminating or reducing import tariffs *unilaterally* (i.e. on a non-reciprocal basis). Through GSP, the EU also supports developing countries' efforts to achieve sustainable development. The use of tariff reductions as an incentive to promote respect for human rights, labour rights, environmental protection and good governance is an integral part of the European Commission's [Trade for All](#) strategy.

The scheme operates on the basis of [Regulation \(EU\) No 978/2012](#) of the European Parliament and the Council of 25 October 2012 (the "GSP Regulation"). That regulation will expire on 31 December 2023. Without the adoption of a new GSP Regulation by the EU, imports from developing countries under the scheme would pay higher duties as from 1 January 2024 – except for imports from the Least Developed Countries (LDCs) which would still be covered by the open-ended "Everything But Arms" (EBA) regime. Higher duties could, depending on how much a beneficiary country exports to the EU, negatively affect growth, employment and investment.

The GSP Regulation sets up three distinct arrangements, adapted to the needs of different categories of beneficiary countries:

1. **Standard GSP** for low and lower-middle income countries. This means a partial or full removal of customs duties on two-thirds of the EU's tariff lines;
2. **GSP+**: the special incentive arrangement for sustainable development and good governance. It reduces these same tariffs to 0% for "vulnerable" low and lower-middle income countries that have ratified and implement 27 international conventions related to human rights, labour rights, protection of the environment and good governance. To qualify for GSP+, the beneficiary countries must be developing countries that are considered to be "vulnerable" on account of the low level of diversification of their exports to the EU, and their insufficient integration in the international trading system.
3. **EBA** ("Everything But Arms"): the special arrangement for least developed countries (LDCs), providing them with duty-free, quota-free access to the EU for all products except arms and ammunition.

For a full listing of the beneficiary countries under each of the three GSP arrangements, please see the following:

[List of GSP beneficiary countries \(as of 01 January 2019\)](#)

#### **About the review of the EU GSP**

A recent [midterm evaluation](#) published in October 2018 concluded that the current GSP framework is effective and it is delivering on its objectives. The midterm evaluation also found areas for improvement, including the GSP's contribution to export diversification, sustainable development and the protection of the EU's economic and financial interests.

The European Parliament adopted a [non-legislative resolution on the implementation of the GSP Regulation](#) on 14 March 2019. The resolution acknowledges the positive impact the GSP Regulation has had on developing countries and makes a number of recommendations for the review of the GSP Regulation. Recommendations focus on encouraging export diversification, placing more emphasis on improving environmental standards, stakeholder engagement and better monitoring of the implementation of the GSP.

On 13 May 2019, the Commission launched the preparations for a new GSP Regulation by publishing an [Impact Assessment](#).

The present review of the GSP Regulation takes into consideration the recognition that the economic and social problems of developing countries cannot be solved exclusively by means of trade instruments like the GSP. To achieve that objective, a comprehensive toolbox is needed, of which trade instruments are a part. EU action in this area must also comply with the relevant international legal framework, in particular the requirements of the [WTO Enabling Clause](#), which allows developed countries to grant unilateral and non-reciprocal trade preferences to developing countries "to respond positively to the development, financial and trade needs of developing countries".

#### **About this survey**

The purpose of the present consultation is to gather input to the Commission's work on preparing a future proposal to the Council and Parliament for a regulation to replace the current GSP Regulation upon its expiry.

All citizens, organisations and public authorities, wherever in the world they are located, are welcome to participate in this survey.

The survey consists of **12** sections (**A to L**). This first section (**A**) provides contextual and explanatory information. The second section (**B**) collects information about the respondent. The substantive questions are located in sections **C to K**. The final section (**L**) provides a space where – if you wish to do so – you can submit further information (such as a position paper) to the European Commission.

The odd-numbered questions in sections **C to F** (except questions E3 and E5) are compulsory; so are the questions in section **B**. All other questions are optional.

The questions in sections **G to K** are likely to be of particular interest to the business community, but anyone who wishes to do so may respond to them.

NB. This consultation does not concern issues related to the rules of origin applied under the GSP, as these are set out in a separate legal instrument.

## B About you

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### \* B.1 Language of my contribution

- Bulgarian
- Croatian
- Czech
- Danish
- Dutch
- English
- Estonian
- Finnish
- French
- Gaelic
- German
- Greek
- Hungarian
- Italian
- Latvian
- Lithuanian
- Maltese
- Polish
- Portuguese

- Romanian
- Slovak
- Slovenian
- Spanish
- Swedish

\* B.2 I am giving my contribution as

- Academic/research institution
- Business association
- Company/business organisation
- Consumer organisation
- EU citizen
- Environmental organisation
- Non-EU citizen
- Non-governmental organisation (NGO)
- Public authority
- Trade union
- Other

\* B.3 First name

Karin

\* B.4 Surname

ULMER

\* B.5 Email (this won't be published)

karin.ulmer@actalliance.eu

\* B.7 Organisation name

*255 character(s) maximum*

ACT Alliance Advocacy to the EU

\* B.8 Organisation size

- Micro (1 to 9 employees)
- Small (10 to 49 employees)

- Medium (50 to 249 employees)
- Large (250 or more)

## B.9 Transparency register number

*255 character(s) maximum*

Check if your organisation is on the [transparency register](#). It's a voluntary database for organisations seeking to influence EU decision-making.

5189768701-12

## \* B.10 Country of origin

Please add your country of origin, or that of your organisation.

- |   |  |  |  |
|---|--|--|--|
| <input type="radio"/> Afghanistan         | <input type="radio"/> Djibouti           | <input type="radio"/> Libya            | <input type="radio"/> Saint Martin                     |
| <input type="radio"/> Åland Islands       | <input type="radio"/> Dominica           | <input type="radio"/> Liechtenstein    | <input type="radio"/> Saint Pierre and Miquelon        |
| <input type="radio"/> Albania             | <input type="radio"/> Dominican Republic | <input type="radio"/> Lithuania        | <input type="radio"/> Saint Vincent and the Grenadines |
| <input type="radio"/> Algeria             | <input type="radio"/> Ecuador            | <input type="radio"/> Luxembourg       | <input type="radio"/> Samoa                            |
| <input type="radio"/> American Samoa      | <input type="radio"/> Egypt              | <input type="radio"/> Macau            | <input type="radio"/> San Marino                       |
| <input type="radio"/> Andorra             | <input type="radio"/> El Salvador        | <input type="radio"/> Madagascar       | <input type="radio"/> São Tomé and Príncipe            |
| <input type="radio"/> Angola              | <input type="radio"/> Equatorial Guinea  | <input type="radio"/> Malawi           | <input type="radio"/> Saudi Arabia                     |
| <input type="radio"/> Anguilla            | <input type="radio"/> Eritrea            | <input type="radio"/> Malaysia         | <input type="radio"/> Senegal                          |
| <input type="radio"/> Antarctica          | <input type="radio"/> Estonia            | <input type="radio"/> Maldives         | <input type="radio"/> Serbia                           |
| <input type="radio"/> Antigua and Barbuda | <input type="radio"/> Eswatini           | <input type="radio"/> Mali             | <input type="radio"/> Seychelles                       |
| <input type="radio"/> Argentina           | <input type="radio"/> Ethiopia           | <input type="radio"/> Malta            | <input type="radio"/> Sierra Leone                     |
| <input type="radio"/> Armenia             | <input type="radio"/> Falkland Islands   | <input type="radio"/> Marshall Islands | <input type="radio"/> Singapore                        |
| <input type="radio"/> Aruba               | <input type="radio"/> Faroe Islands      | <input type="radio"/> Martinique       | <input type="radio"/> Sint Maarten                     |
| <input type="radio"/> Australia           | <input type="radio"/> Fiji               | <input type="radio"/> Mauritania       | <input type="radio"/> Slovakia                         |
| <input type="radio"/> Austria             | <input type="radio"/> Finland            | <input type="radio"/> Mauritius        | <input type="radio"/> Slovenia                         |
| <input type="radio"/> Azerbaijan          | <input type="radio"/> France             | <input type="radio"/> Mayotte          | <input type="radio"/> Solomon Islands                  |
| <input type="radio"/> Bahamas             | <input type="radio"/> French Guiana      | <input type="radio"/> Mexico           | <input type="radio"/> Somalia                          |

- Bahrain
- Bangladesh
- Barbados
- Belarus
- Belgium
- Belize
- Benin
- Bermuda
- Bhutan
- Bolivia
- Bonaire Saint Eustatius and Saba
- Bosnia and Herzegovina
- Botswana
- Bouvet Island
- Brazil
- British Indian Ocean Territory
- British Virgin Islands
- Brunei
- Bulgaria
- Burkina Faso
- Burundi
- Cambodia
- French Polynesia
- French Southern and Antarctic Lands
- Gabon
- Georgia
- Germany
- Ghana
- Gibraltar
- Greece
- Greenland
- Grenada
- Guadeloupe
- Guam
- Guatemala
- Guernsey
- Guinea
- Guinea-Bissau
- Guyana
- Haiti
- Heard Island and McDonald Islands
- Honduras
- Hong Kong
- Hungary
- Micronesia
- Moldova
- Monaco
- Mongolia
- Montenegro
- Montserrat
- Morocco
- Mozambique
- Myanmar /Burma
- Namibia
- Nauru
- Nepal
- Netherlands
- New Caledonia
- New Zealand
- Nicaragua
- Niger
- Nigeria
- Niue
- Norfolk Island
- Northern Mariana Islands
- North Korea
- South Africa
- South Georgia and the South Sandwich Islands
- South Korea
- South Sudan
- Spain
- Sri Lanka
- Sudan
- Suriname
- Svalbard and Jan Mayen
- Sweden
- Switzerland
- Syria
- Taiwan
- Tajikistan
- Tanzania
- Thailand
- The Gambia
- Timor-Leste
- Togo
- Tokelau
- Tonga
-

- Cameroon
- Canada
- Cape Verde
- Cayman Islands
- Central African Republic
- Chad
- Chile
- China
- Christmas Island
- Clipperton
- Cocos (Keeling) Islands
- Colombia
- Comoros
- Congo
- Cook Islands
- Costa Rica
- Côte d'Ivoire
- Croatia
- Cuba
- Curaçao
- Cyprus
- Czechia
- Iceland
- India
- Indonesia
- Iran
- Iraq
- Ireland
- Isle of Man
- Israel
- Italy
- Jamaica
- Japan
- Jersey
- Jordan
- Kazakhstan
- Kenya
- Kiribati
- Kosovo
- Kuwait
- Kyrgyzstan
- Laos
- Latvia
- Lebanon
- North Macedonia
- Norway
- Oman
- Pakistan
- Palau
- Palestine
- Panama
- Papua New Guinea
- Paraguay
- Peru
- Philippines
- Pitcairn Islands
- Poland
- Portugal
- Puerto Rico
- Qatar
- Réunion
- Romania
- Russia
- Rwanda
- Saint Barthélemy
- Saint Barthélemy
- Trinidad and Tobago
- Tunisia
- Turkey
- Turkmenistan
- Turks and Caicos Islands
- Tuvalu
- Uganda
- Ukraine
- United Arab Emirates
- United Kingdom
- United States
- United States Minor Outlying Islands
- Uruguay
- US Virgin Islands
- Uzbekistan
- Vanuatu
- Vatican City
- Venezuela
- Vietnam
- Wallis and Futuna
- Western Sahara
- Yemen
- Zambia

- Democratic Republic of the Congo
- Lesotho
- Liberia
- Denmark
- Saint Helena
- Ascension and Tristan da Cunha
- Saint Kitts and Nevis
- Saint Lucia
- Zimbabwe

### \* B.11 Publication privacy settings

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

**Anonymous**

Only your type of respondent, country of origin and contribution will be published. All other personal details (name, organisation name and size, transparency register number) will not be published.

**Public**

Your personal details (name, organisation name and size, transparency register number, country of origin) will be published with your contribution.

I agree with the [personal data protection provisions](#)

## C Your views on the potential of international trade for eradicating poverty; and on the role of the GSP scheme in that regard

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### \* C.1 Do you think that international trade can contribute to eradicating poverty in developing countries?

- Yes, it can make an important contribution
- Yes, but it can make only a minor contribution
- No, international trade has no positive impact on poverty in developing countries
- I don't know

C.2 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See response to Question G2 on eligibility criteria and selection of product sectors that need to be reconsidered to increase contribution of GSP to poverty alleviation. ACT Alliance EU emphasis that in order

to ensure trade is supportive of a sustainable development strategy, more emphasis must be put on diversification and on value addition in beneficiary countries; and on avoiding perverse incentives of trade preferences that may cause harm to the attainment of the SDGs.

**\* C.3 How do you think the EU can best support the eradication of poverty in developing countries?**

- By helping developing countries to increase their exports to the EU by reducing or eliminating tariffs
- By providing development assistance
- By a combination of the above
- Other (please use the space below to clarify)
- I don't know

C.4 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

**C.5 To what extent do you agree with the following statement?**

	Strongly disagree	Disagree	Agree	Strongly agree	I don't know
<i>* " The EU should continue to offer developing countries unilateral access for their exports to the EU (ie, without requiring reciprocal market opening) in order to support the eradication of poverty in those countries. "</i>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

C.6 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See response to Questions under section G and H

**\* C.7 The current GSP Regulation is the result of a major reform introduced in 2014, which had **three basic objectives**:**

- a) to promote economic development and eradication of poverty in developing countries – by reducing or eliminating import tariffs on their eligible exports to

the EU;

b) to promote sustainable development and respect for human and labour rights in qualifying developing countries – by eliminating entirely import tariffs on their eligible exports to the EU;

c) to protect the EU's financial and economic interests – through adequate safeguards and surveillance in relation to imports causing serious difficulties to Union producers.

**Do you think that these objectives are still relevant for the future?**

- All three objectives are still relevant
- At least one (but not all) of the objectives is still relevant
- None of the three objectives are now relevant
- I don't know

C.8 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

In particular, objective a) and b)

\* C.9 Currently the EU GSP scheme consists of the following three arrangements – **Standard GSP**, **GSP+**, and **EBA** (“Everything But Arms”) – which offer different levels of tariff incentives corresponding to differing development needs and circumstances of developing countries.

**Should a new GSP scheme maintain the same structure, and continue with these three arrangements?**

- Yes, the existing structure with the same three elements should be maintained
- No, the basic structure needs to be changed
- I don't know

**D Your views on the use of GSP to promote sustainable development and respect for human rights**

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### D.1 Do you think that the GSP arrangement can have an impact on...

	a strongly negative impact	a somewhat negative impact	no impact	a somewhat positive impact	a strongly positive impact	I don't know
* ... the enjoyment of human rights in the beneficiary countries?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* ... the enjoyment of labour rights in the beneficiary countries?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* ... the protection of the environment?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* ... promoting low carbon development?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* ... increasing resilience of society to climate change impacts?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* ... combating illegal drug trafficking?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* ... combating money-laundering and /or the financing of terrorism?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* ... combating corruption?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* ... migration flows from beneficiary countries?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

D.2 If you would like to explain or give reasons for your answers, please do so here:

*2000 character(s) maximum*

The impact of GSP, whether positive or negative will depend on the specifics. See our submission on 'Recommendations by the GSP platform' under Additional Contributions.

\* D.3 In order to qualify for GSP+, beneficiary countries currently have to ratify and effectively implement **27 international conventions** related to human rights, labour rights, protection of the environment and good governance.

**In the list of international conventions, do you think there are some that have become less relevant for promoting respect for core human and labour rights, protection of the environment and good governance?**

- Yes
- No
- I don't know

D.4 If your answer is "yes", please explain which of the international conventions have become less relevant, and why:

*2000 character(s) maximum*

See submission on 'Recommendations by the GSP platform', in particular:  
UNDROP- UN Declaration on the Rights of Peasants and Other People in Rural Areas  
VGGT- Voluntary Guidelines for Responsible Governance of Tenure of Land, Fisheries and Forests  
UNRIP- UN Declaration on the Rights of Indigenous People and its principles on Free Prior and Informed Consent.

\* D.5 **Are there other international conventions/agreements that GSP+ beneficiary countries should be required to ratify and implement effectively as a condition for complete elimination of the tariffs paid on their eligible exports to the EU?**

- Yes
- No
- I don't know

D.6 If your answer is "yes", please explain which international conventions should be added to the list, and why:

*2000 character(s) maximum*

See response to D4.  
To address risk of negative impacts of GSP on land tenures upfront, to prevent land grabbing.

## E Your views on monitoring of compliance with the GSP scheme

Eligibility for the enhanced tariff benefits of GSP+ requires GSP+ beneficiary countries to effectively implement the 27 international conventions specified in the GSP Regulation. The EU regularly monitors the actions taken by governments of GSP+ beneficiary countries in order to implement the conventions.

### E.1 In your opinion, is it important for the EU to continue monitoring the level of implementation of the 27 international conventions by GSP+ beneficiary countries?

	Very unimportant	Rather unimportant	Rather important	Very important	I don't know
*	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

### E.2 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See our submission 'Recommendations by the GSP platform' under Additional Contributions.

### E.3 What information source(s) do you consider the most relevant for the EU to take into account when monitoring the implementation of the international conventions?

You can choose more than one response

- Reports of the UN (United Nations) and ILO (International Labour Organization) and other international organizations
- Information published by the government of the beneficiary country
- Information provided directly to the EU by the government of the beneficiary country
- Information provided by the European Parliament
- Information provided by EU member states
- Information provided by businesses, or by workers' or employers' organizations in the beneficiary country
- Information provided by NGOs (non-governmental organizations) involved in human and labour rights, protection of the environment, and good governance; by human rights defenders; or by journalists or others from broadcast or print media
- Other (please use the space below to clarify)

E.4 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See our submission 'Recommendations by the GSP platform' under Additional Contributions.

**E.5 Do you think that the EU's monitoring process should be made more transparent? If so, how?**

*2000 character(s) maximum*

See our submission 'Recommendations by the GSP platform' under Additional Contributions.

## **F Your views on withdrawal of GSP benefits**

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The EU may withdraw GSP benefits from a beneficiary country under **any** of the three GSP arrangements (Standard GSP, GSP+ and EBA) for “serious and systematic violations of principles laid down” in the international human and labour rights conventions listed in the Regulation.

Making GSP benefits conditional upon the continuing respect of beneficiary countries for fundamental principles of human and labour rights offers both advantages and risks in relation to the actual achievement of **set objectives**.

Making GSP benefits conditional in this way can also have unintended consequences, depending on the variety of circumstances, needs and specificities of beneficiary countries.

**\* F.1 In your opinion, can withdrawal of GSP benefits from a beneficiary country contribute to ending or improving situations where human and/or labour rights are seriously and systematically violated?**

- Yes, it can make an important contribution
- Yes, but it can make only a minor contribution
- No, withdrawal of GSP benefits will have no impact on situations where human and/or labour rights are seriously and systematically violated
- No, withdrawal of GSP benefits will have further negative impacts on situations where human and/or labour rights are seriously and systematically violated
- I don't know

F.2 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See our submission 'Recommendations by the GSP platform'.

We highlight our support for a differentiated approach that allows for sector and product specific withdrawals, combined with a road map approach.

### F.3 Do you think that withdrawing GSP benefits from a beneficiary country can have an impact on...

	a strongly negative impact	a somewhat negative impact	no impact	a somewhat positive impact	a strongly positive impact	I don't know
* ... employment and social development in the beneficiary country?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* ... reduction of poverty in the beneficiary country?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* ... the EU's political and diplomatic relations with the beneficiary country?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* ... protection of the environment in the beneficiary country?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
* ... migration flows from the beneficiary country?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

### F.5 To what extent do you agree with the following statement?

	Strongly disagree	Disagree	Agree	Strongly agree	I don't know
* <i>" If there is sufficient information which indicates that a beneficiary country is violating core human and</i>					

*/or labour rights, the EU should immediately engage with the country and use its leverage to push it to resolve the violation; and – in case of failure to do so – the EU should initiate a procedure for withdrawal of the GSP benefits."*



F.6 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See our submission 'Recommendations by the GSP platform'.  
We highlight our support for a differentiated approach that allows for sector and product specific withdrawals, combined with a road map approach.

\* F.7 Under the present GSP Regulation, the EU can withdraw standard GSP and EBA benefits only in the case of serious and systematic violations by beneficiary countries of principles laid down in certain human rights and labour rights conventions.

**Do you think that this should also be the case for serious and systematic violations of the principles laid down in international conventions related to the protection of the environment (including climate change), and good governance?**

- Yes
- No
- I don't know

F.8 If you would like to explain or give reasons for your answer, please do so here. If possible, provide arguments either for or against expanding the basis for temporary withdrawal of standard GSP and EBA benefits:

*2000 character(s) maximum*

See our submission 'Recommendations by the GSP platform'.  
We highlight our support for a differentiated approach that allows for sector and product specific withdrawals, combined with a road map approach.

## **G Your views on beneficiary countries**

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GSP beneficiary countries with large economies that develop a more competitive and diversified export sector over time could crowd out the export potential of other beneficiary countries that are more vulnerable. The reform of the GSP Regulation in 2012 aimed precisely at focusing the benefits of the EU's GSP scheme on the **countries most in need**, and resulted in a lower number of beneficiary countries.

**G.1 Looking at the list of all [the countries that currently benefit from GSP](#), do you think there should be an even tighter focus on the countries most in need?**

- Yes
- No
- I don't know

**G.2 If you would like to explain or give reasons for your answer, please do so here:**

*2000 character(s) maximum*

“In order to ensure that GSP preferences are beneficial to sustainable development and poverty alleviation, we recommend revisiting of the economic criteria by which a country qualifies and is eligible. We recommend reconsidering the use of World Bank criteria applied to individual countries only and to consider calculating an aggregated average income level across those individual countries that are part of an existing custom’s unions such as f.e. ECOWAS. Thus, EU Duty Free Quota Free preferences should not be granted to individuals LDCs only but to the entire regional configuration they are part of. We argue that most Developing Countries in Africa share similar socio-economic challenges as their neighbouring LDCs. The current eligibility criteria is purely based on a ‘nominal’ category of a LDC status while omitting the real empirical economic situation in a region that share similar challenges. We welcome and support suggestions to consider Sub-Saharan Africa as a region eligible for EBA.

**G.3 Are there any specific developing countries which currently do not benefit from the EU's GSP scheme – but in your view, should do so? If so, please state which ones, and why.**

*2000 character(s) maximum*

All countries in Sub-Saharan Africa that are currently not eligible to GSP schemes, i.e. in particular those with an EPA. See response to previous question G2.

## **H Your views on product coverage (for Standard GSP and GSP+ arrangements)**

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The list of eligible products included in the Standard GSP arrangement is set out in [Annex V](#) of the current GSP Regulation. The list of eligible products included in the GSP+ arrangement is set out in [Annex IX](#) of the same regulation.

The EU is examining and reflecting upon the list of eligible products under Standard GSP. One option under consideration could be to prioritize sustainably produced products.

**H.1 Do you think that sustainably produced products could make an important contribution (as part of a revised GSP scheme) to the objectives of eradication of poverty and support for sustainable development?**

- Yes
- No
- I don't know

H.2 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See ACT Alliance EU submission to Farm-to-Fork Strategy on the need to strengthen the regulatory framework for sustainable food systems and the Voluntary Sustainability Standards (VSS), posted under Additional Contributions.

H.3 An expanded product coverage under the EU's revised GSP scheme might contribute positively to export diversification in GSP beneficiary countries.

**Do you think that the EU's GSP scheme should be expanded so as to cover a wider range of products – even if this could result in increased import competition for EU industries?**

- Yes
- No
- I don't know

H.4 If your answer is "yes", in which product sectors/categories?

*You can choose more than one response*

- Agricultural products and processed food
- Industrial and manufactured products
- Environmentally-friendly goods
- Other (please use the space below to specify)

H.5 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

The selection of preferential access for agricultural food products should be guided by the strategic economic interests of developing countries own processing and value addition industry. Currently, those products of most important strategic interest for value addition do (often) not qualify for DFQF access due to rules of origin. We suggest that revised rules of origins should allow for cumulation across different GSP schemes (GSP, GSP plus, EBA). In the same line, we suggest improved rules of origin should allow for cumulation for LIC and MIC in the preference systems, which includes GSP and EPAs. This is essential to support regional and intra-regional supply capacity and trade particular in Africa.

H.6 **Are there products listed in [Annex V](#) (for Standard GSP) or in [Annex IX](#) (for GSP+) of the current GSP Regulation which in your view should no**

**longer be covered by the EU's revised GSP scheme? If so, please state which products, and why.**

*2000 character(s) maximum*

## **I Your views on product graduation**

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“Product graduation” removes GSP benefits **for a specific category of products** from a particular country that benefits from the Standard GSP arrangement when imports into of the EU of that category of products from that particular country have reached a certain level.

The rationale is that GSP benefits are no longer needed to support the country’s exports of those products.

**I.1 Do you think that the EU should maintain product graduation in a revised GSP scheme?**

- Yes
- No
- I don't know

I.3 Under the present GSP Regulation, product graduation applies only to Standard GSP beneficiary countries. Product graduation does not apply to either GSP+ or EBA beneficiary countries, which share a similar economic profile that makes them vulnerable on account of their low, non-diversified export base.

**Should product graduation apply to GSP+ and EBA beneficiary countries as well?**

- Yes, to GSP+ beneficiary countries only
- Yes, to EBA beneficiary countries only
- Yes, to both GSP+ and EBA beneficiary countries
- No
- I don't know

**I.4 If you would like to explain or give reasons for your answer, please do so here:**

*2000 character(s) maximum*

See our response to question G2 and H5 on eligibility and product coverage.  
In particular, supporting regional and intra-regional supply capacity and trade particular in Africa should be used as criteria.

I.5 Product graduation currently applies to a group of related products (“product sections”), rather than to individual products.

Applying product graduation to a group of related products reduces the unpredictability that would arise – if graduation were applied to individual products – because of fluctuating levels of imports of those products.

### What are your views on the way product graduation applies currently?

*2000 character(s) maximum*

## J Your views on country graduation

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For a country that because of its economic growth is no longer classified by the United Nations as a least developed country (LDC), a **transitional period** of three years is provided in order to alleviate any adverse effect caused by the ending of tariff elimination granted under the EBA arrangement. Transition of EBA beneficiary countries to another GSP arrangement (GSP+ or Standard GSP) also entails the application of more stringent rules of origin.

### J.1 Do you think that the transitional period should be...

- Extended
- Reduced
- Kept unchanged
- I don't know

## K Your views on safeguard mechanisms

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The current GSP Regulation includes **safeguard mechanisms** that allow the EU to withdraw GSP preferences for imports of a specific product from a specific GSP beneficiary country if it is demonstrated that such imports hurt or can hurt EU producers.

### K.1 To what extent do you agree with the following statement?

	Strongly disagree	Disagree	Agree	Strongly agree	I don't know
<i>" The GSP Regulation should provide safeguard mechanisms in order to protect EU producers – despite the risk that use of the safeguard</i>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

*mechanisms may have negative consequences for developing countries. "*

K.2 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

We would like to make the case of activating and triggering safeguards for both, protection of EU industries AND likewise protection of small-scale food producers in beneficiary countries; in particular to protect local food markets that are exposed to high (unfair) EU competition. See proposal submitted by Client Earth for a Formal Complaint Procedure that can be used by NGOs, affected communities and the public under any EU trade regime.

K.3 The current GSP Regulation contains two safeguard mechanisms: a general safeguard mechanism that applies to all products and all beneficiary countries; and a specific safeguard mechanism for specific products (textiles, clothing and certain agricultural products), which only applies to Standard GSP and GSP+ beneficiary countries.

**Do you think that these safeguard mechanisms contribute to protecting EU producers from unfair competition?**

- Yes
- No
- I don't know

K.4 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See our response to question K2. We want to see ensuring the prompt implementation of the Unfair Trading Practices Directive in Member States to drive 'fairness for all' and to prevent unfair and anti-competitive behaviour that may arise with retail alliances or increased market concentration.

K.5 The beneficiary countries of the EU's "Everything But Arms" (EBA) arrangement are least developed countries (LDCs) – the world's poorest and most vulnerable countries.

**Do you think that the world's least developed countries should continue to be exempt from some of the existing procedures (such as product graduation or the specific safeguard mechanism) that are intended to protect the interests of EU producers?**

- Yes
-

No

I don't know

K.6 If you would like to explain or give reasons for your answer, please do so here:

*2000 character(s) maximum*

See previous responses. ACT Alliance EU welcomes and supports suggestions to consider Sub-Saharan Africa as a region eligible for EBA.

## L Your additional contributions

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If you or your organization would like to submit a position paper or other written contribution, you can do so here.

### L.1 Please upload your file

The maximum file size is 1 MB

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

**ad4c433c-b0f0-4c07-984e-a06d0e76daac/ACT\_EU\_F2F\_Submission\_FINAL\_\_13-03-2020\_.pdf**

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