



# The Generalised Scheme of Preferences

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# OUTLINE OF PRESENTATION

1. The Generalised Scheme of Preferences
2. **GSP+ and Sri Lanka**
3. The GSP review



# GENERALISED SCHEME OF PREFERENCES

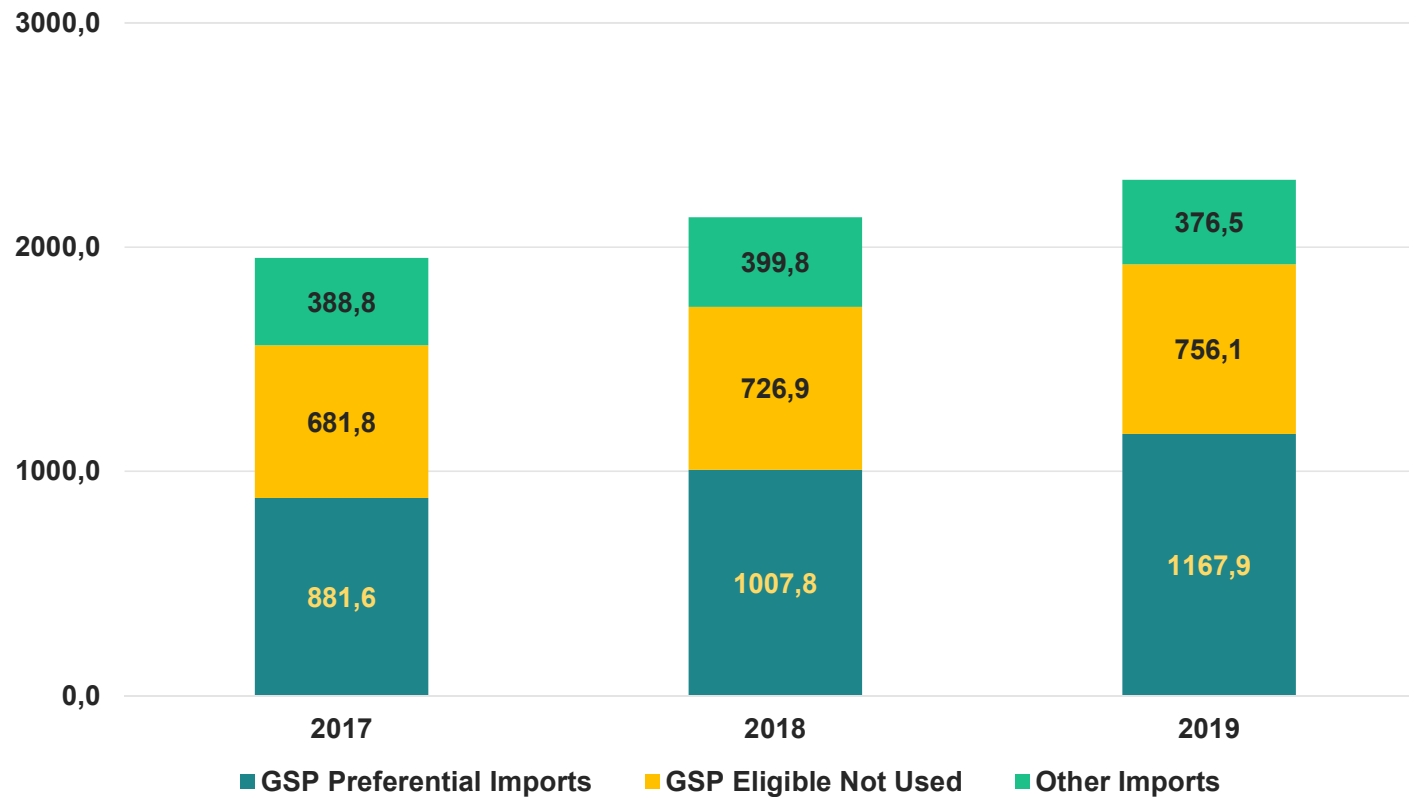
- Current GSP is in force since 2014 (EU Regulation 978/2012) and will expire on 31 December 2023
- **Three basic objectives:**
  1. Contribute to poverty eradication by expanding exports from countries most in need to the EU through tariff preferences (GSP rules of origin have to be respected)
  2. Promote sustainable development and good governance
  3. Ensure that the EU's financial and economic interests are safeguarded

# GENERALISED SCHEME OF PREFERENCES

- 1. Standard GSP arrangement** (15 beneficiaries)  
Developing countries (low/lower-middle income)  
Customs duty removal or reductions for around 66% products  
No conditionality
- 2. GSP+ arrangement** (covering 9 countries)  
Developing and vulnerable countries  
Customs duty removal for 66% of products (the same tariff line as above)  
Conditional: application for the status needed; ratification and effective implementation of 27 international conventions
- 3. Everything But Arms – EBA arrangement** (48 beneficiaries)  
Least developed countries (as classified by UN)  
Duty free, quota free access to the EU market for all products except arms and ammunition  
No conditionality

# GSP+ and Sri Lanka

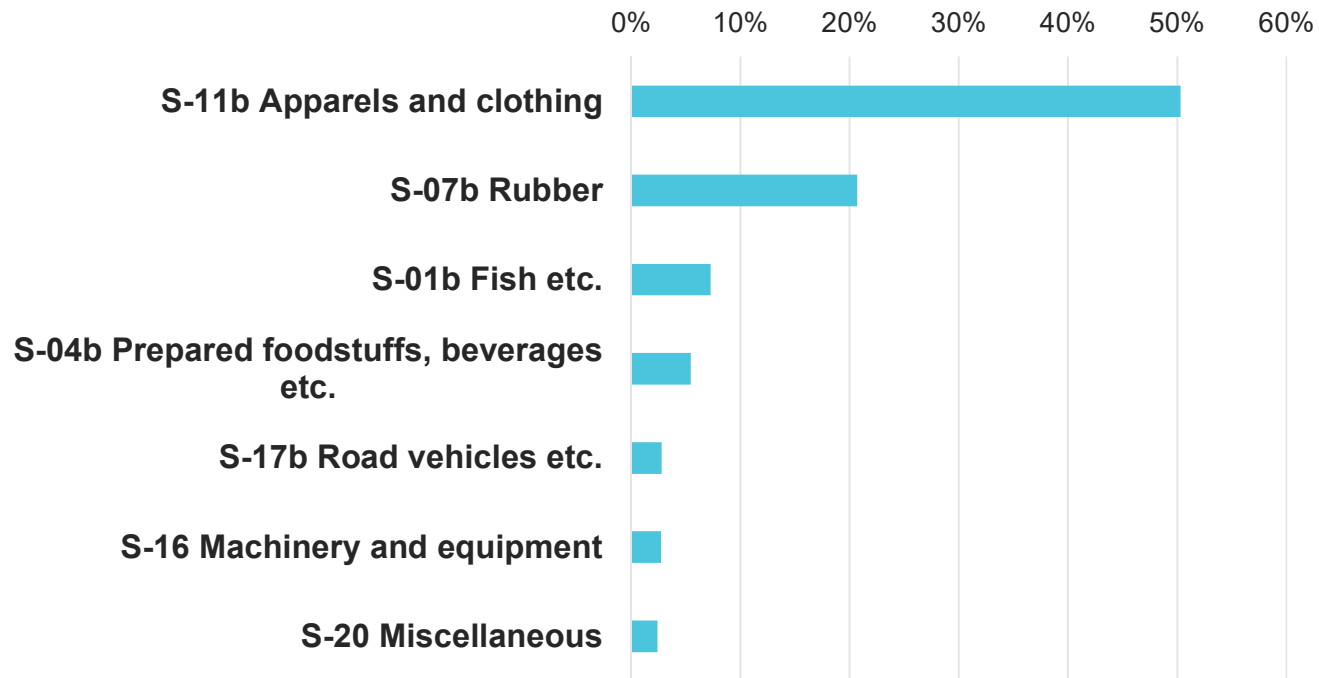
EU imports from Sri Lanka (Mio. €)



# GSP+ and Sri Lanka



Structure of Sri Lanka's GSP+ exports to the EU (2019)



# GSP+ and Sri Lanka

GSP+ preferences **conditional** on effective implementation of the 27 international Conventions covering:

- **Human rights**
- **Labour rights**
- **Protection of environment**
- **Good governance**

**GSP+ monitoring:** joint engagement to secure continued implementation of the Conventions, with important role for investors

**Reducing import restrictions** introduced during the pandemic would be conducive to creating an investment-friendly business environment

# The on-going GSP review

- The current GSP Regulation (No 978/2012) expires on 31.12.2023 and the new one needs to be in force on 1.01.2024
- Adoption of the Commission's legislative proposal is expected in September 2021
- Following negotiation with the European Parliament and the Council, the final adoption of the Regulation is expected by the end of 2022
- **Year 2023: for economic operators and stakeholders to get used to the new rules**



# Links for more information

- **EU Delegation to Sri Lanka:** [https://eeas.europa.eu/delegations/sri-lanka\\_en](https://eeas.europa.eu/delegations/sri-lanka_en)
- **Access 2 Markets:** <https://trade.ec.europa.eu/access-to-markets/en/home>
- **GSP hub:** <https://gsphub.eu/country-info/Sri%20Lanka>



# Thank you!



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