



Practical guide to the reformed GSP trade regimes for developing countries

The EU's rules determining which countries can pay less or no duty when exporting to the 28 country trade bloc, and for which products, change on 1 January 2014. The changes to the EU's so-called Generalised Scheme of Preferences (GSP) are designed to focus help on developing countries most in need and to better cater for their specific needs. The GSP scheme is seen as a powerful tool for economic development by providing those countries most in need with preferential access to the EU's market of 500m consumers.

The GSP+ is a component of the GSP. It offers additional trade incentives to developing countries already benefitting from GSP to implement core international conventions on human and labour rights, sustainable development and good governance.

The EU announced the new rules more than a year ago to allow companies enough time to understand the impact of the changes on their business and adapt. To make the transition as smooth as possible, this guide provides information about:

1. 3 possible import regimes applicable to those countries eligible for GSP after 1 January 2014 (p. 2);
2. Treatment that will apply to shipments arriving at the EU customs border shortly after 1 January 2014 (p. 3);
3. 3 steps how to check what trade regime and tariff will apply to your exports to the European Union after 1 January 2014 (p. 3) or in other words:
 - a. What happens to each of the current GSP beneficiaries (p. 4);
 - b. What happens to the product coverage (p. 10);
 - c. What the tariff rate for each particular product will be after 1 January 2014 (p. 12).

Three EU import regimes after 1 January 2014:

As of 1 January 2014 countries covered by the GSP preferences up to and including 31 December 2013 will fall into one of the following groups:

1. 90 countries will remain under one of the three GSP strands:

- *Everything But Arms* (EBA) – duty-free quota-free access to the EU market for all products from the 49 least developed countries;
- *GSP+* – deep tariff cuts for 10 countries which ratified and implemented international conventions relating to human and labour rights, environment and good governance. The first 10 *GSP+* countries are: Armenia, Bolivia, Cape Verde, Costa Rica, Ecuador, Georgia, Mongolia, Paraguay, Pakistan and Peru;
- *GSP* general arrangement for all the other beneficiaries.

For some of those countries, GSP access can coexist with a recently applied free trade agreement (e.g. for Central American countries). The end of the two-year transitory period for countries implementing free trade agreements will be confirmed in the future by the Commission, with sufficient notice for businesses and exporters.

2. 66 countries will continue to benefit from other arrangements with privileged access to the EU market but will no longer be covered by GSP.

Other preferential arrangements include association agreements, free trade agreements, Economic Partnership Agreements, special arrangements for overseas countries and territories or other unilateral market access measures.

3. 20 countries will no longer benefit from preferential access to the EU. These countries are high and upper-middle income countries and their exports will enter the EU with a normal tariff applicable to all the other developed countries (referred to as *Erga omnes* or Most Favoured Nation (MFN) tariff).

Which regime will apply to goods that left their point of origin in 2013 but arrive in the EU after 1 January 2014?

It all depends on the date of the customs formalities.

If the customs authorities of an EU Member State accept the customs declaration for release of goods for free circulation on or before 31 December 2013, the old preferences (based on Regulation 732/2008) will apply to the consignment.

If the declaration is accepted on or after 1 January 2014, the new preferences (based on Regulation 978/2012) will apply.

3 steps to check the situation that applies to your exports:

To learn what trade regime and tariff will apply to your exports to the European Union after 1 January 2014, we suggest taking 3 steps:

1. Check what regime applies to the country of origin of the product that you wish to export to the EU (see STEP 1);
2. Check if the product itself can benefit from the GSP tariff (see STEP 2).
Important: some categories of products have been excluded from GSP coverage for China, India, Indonesia, Thailand, Ukraine and Nigeria.
3. Once you know which import regime applies, check the tariff rates and the related rules of origin for this regime in the EU Export Helpdesk [online database](#) (see STEP 3).

STEP 1: Check which import regime applies to the country of origin of your product before and after the GSP changes of 2014

Countries in alphabetical order	GSP status in 2013	Import regime as of 2014	Specificities in GSP product coverage
Afghanistan	EBA	EBA	
Algeria	GSP	EuroMed Association Agreement	
American Samoa	GSP	Arrangement for overseas countries and territories	
Angola	EBA	EBA	
Anguilla	GSP	Arrangement for overseas countries and territories	
Antarctica	GSP	Arrangement for overseas countries and territories	
Antigua and Barbuda	GSP	Economic Partnership Agreement	
Argentina	GSP	No preference – MFN tariff	
Armenia	GSP+	GSP+	
Aruba	GSP	Arrangement for overseas countries and territories	
Azerbaijan	GSP+	GSP only until 22 February 2014; after that date MFN tariff will apply	
Bahamas	GSP	Economic Partnership Agreement	
Bahrain	GSP	No preference – MFN tariff	
Bangladesh	EBA	EBA	
Barbados	GSP	Economic Partnership Agreement	
Belarus	GSP (temporarily suspended)	No preference – MFN tariff	
Belize	GSP	Economic Partnership Agreement	
Benin	EBA	EBA	
Bermuda	GSP	Arrangement for overseas countries and territories	
Bhutan	EBA	EBA	
Bolivia	GSP+	GSP+	
Botswana	GSP	Economic Partnership Agreement	
Bouvet Island	GSP	Arrangement for overseas countries and territories	
Brazil	GSP	No preference – MFN tariff	
British Indian Ocean Territory	GSP	Arrangement for overseas countries and territories	
British Virgin Islands	GSP	Arrangement for overseas countries and territories	

Countries in alphabetical order	GSP status in 2013	Import regime as of 2014	Specificities in GSP product coverage
Brunei-Darussalam	GSP	No preference – MFN tariff	
Burkina Faso	EBA	EBA	
Burma/Myanmar	EBA	EBA	
Burundi	EBA	EBA	
Cambodia	EBA	EBA	
Cameroon	GSP	Economic Partnership Agreement	
Cape Verde	GSP+	GSP+	
Cayman Islands	GSP	Arrangement for overseas countries and territories	
Central African Republic	EBA	EBA	
Chad	EBA	EBA	
Chile	GSP	Free Trade Agreement	
China	GSP	GSP	Further coverage limitations (see p. 11)
Christmas Islands	GSP	Arrangement for overseas countries and territories	
Cocos Islands (or Keeling Islands)	GSP	Arrangement for overseas countries and territories	
Colombia	GSP+	Free Trade Agreement	
Comoros Islands	EBA	EBA	
Congo	GSP	GSP	
Congo (Democratic Republic)	EBA	EBA	
Cook Islands	GSP	GSP	
Costa Rica	GSP+	Free Trade Agreement and GSP+	
Cote d'Ivoire	GSP	Economic Partnership Agreement	
Cuba	GSP	No preference – MFN tariff	
Djibouti	EBA	EBA	
Dominica	GSP	Economic Partnership Agreement	
Dominican Republic	GSP	Economic Partnership Agreement	
East Timor	EBA	EBA	
Ecuador	GSP+	GSP+	
Egypt	GSP	EuroMed Association Agreement	
El Salvador	GSP+	Free Trade Agreement	
Equatorial Guinea	EBA	EBA	
Eritrea	EBA	EBA	
Ethiopia	EBA	EBA	
Falkland Islands	GSP	Arrangement for overseas countries and territories	

Countries in alphabetical order	GSP status in 2013	Import regime as of 2014	Specificities in GSP product coverage
Federal States of Micronesia	GSP	GSP	
Fiji	GSP	Economic Partnership Agreement	
French Polynesia	GSP	Arrangement for overseas countries and territories	
French Southern Territories	GSP	Arrangement for overseas countries and territories	
Gabon	GSP	No preference – MFN tariff	
Gambia	EBA	EBA	
Georgia	GSP+	GSP+	
Ghana	GSP	EPA	
Gibraltar	GSP	Arrangement for overseas countries and territories	
Greenland	GSP	Arrangement for overseas countries and territories	
Grenada	GSP	EPA	
Guam	GSP	Arrangement for overseas countries and territories	
Guatemala	GSP+	Free Trade Agreement	
Guinea	EBA	EBA	
Guinea-Bissau	EBA	EBA	
Guyana	GSP	EPA	
Haiti	EBA	EBA	
Heard Island and MacDonald Island	GSP	Arrangement for overseas countries and territories	
Honduras	GSP+	Free Trade Agreement	
India	GSP	GSP	Coverage limited for the first time (see p. 11)
Indonesia	GSP	GSP	Further coverage limitations (see p. 12)
Iran	GSP (but sanctions in place)	GSP only until 22 February 2014; after that date MFN tariff will apply	No incidence on existing trade sanctions
Iraq	GSP	GSP	
Jamaica	GSP	Economic Partnership Agreement	
Jordan	GSP	EuroMed Association Agreement	
Kazakhstan	GSP	No preference – MFN tariff	
Kenya	GSP	EPA	
Kiribati	EBA	EBA	
Kuwait	GSP	No preference – MFN tariff	
Kyrgyzstan	GSP	GSP	

Countries in alphabetical order	GSP status in 2013	Import regime as of 2014	Specificities in GSP product coverage
Laos	EBA	EBA	
Lebanon	GSP	EuroMed Association Agreement	
Lesotho	EBA	EBA	
Liberia	EBA	EBA	
Libya	GSP	No preference – MFN tariff	
Macao	GSP	No preference – MFN tariff	
Madagascar	EBA	EBA	
Malawi	EBA	EBA	
Malaysia	GSP	No preference – MFN tariff	
Maldives	EBA	GSP	
Mali	EBA	EBA	
Marshall Islands	GSP	GSP	
Mauritania	EBA	EBA	
Mauritius	GSP	Economic Partnership Agreement	
Mayotte	GSP	Arrangement for overseas countries and territories	
Mexico	GSP	FTA	
Mongolia	GSP+	GSP+	
Montserrat	GSP	Arrangement for overseas countries and territories	
Morocco	GSP	EuroMed Association Agreement	
Mozambique	EBA	EBA	
Namibia	GSP	Economic Partnership Agreement	
Nauru	GSP	GSP	
Nepal	EBA	EBA	
Netherlands Antilles	GSP	Arrangement for overseas countries and territories	
New Caledonia	GSP	Arrangement for overseas countries and territories	
Nicaragua	GSP+	Free Trade Agreement	
Niger	EBA	EBA	
Nigeria	GSP	GSP	Coverage limited for the first time (see p. 12)
Niue Island	GSP	GSP	
Norfolk Island	GSP	Arrangement for overseas countries and territories	
Northern Mariana Islands	GSP	Arrangement for overseas countries and territories	
Oman	GSP	No preference – MFN tariff	
Pakistan	GSP	GSP+	

Countries in alphabetical order	GSP status in 2013	Import regime as of 2014	Specificities in GSP product coverage
Palau	GSP	No preference – MFN tariff country	
Panama	GSP	Free Trade Agreement	
Papua New Guinea	GSP	Economic Partnership Agreement	
Paraguay	GSP+	GSP+	
Peru	GSP+	Free Trade Agreement and GSP+	
Philippines	GSP	GSP	
Pitcairn	GSP	Arrangement for overseas countries and territories	
Qatar	GSP	No preference – MFN tariff	
Russia	GSP	No preference – MFN tariff	
Rwanda	EBA	EBA	
Samoa	EBA	EBA	
São Tomé & Príncipe	EBA	EBA	
Saudi Arabia	GSP	No preference – MFN tariff	
Senegal	EBA	EBA	
Seychelles	GSP	EPA	
Sierra Leone	EBA	EBA	
Solomon Islands	EBA	EBA	
Somalia	EBA	EBA	
South Africa	GSP	Free Trade Agreement	
South Georgia and South Sandwich Islands	GSP	Arrangement for overseas countries and territories	
Sri Lanka	GSP+ (temporarily suspended)	GSP	
St. Helena	GSP	Arrangement for overseas countries and territories	
St. Kitts and Nevis	GSP	Economic Partnership Agreement	
St. Lucia	GSP	Economic Partnership Agreement	
St. Pierre and Miquelon	GSP	Arrangement for overseas countries and territories	
St. Vincent and Northern Grenadines	GSP	Economic Partnership Agreement	
Sudan	GSP	EBA	
Surinam	EBA	Economic Partnership Agreement	
Swaziland	GSP	Economic Partnership Agreement	
Syria	GSP (import restrictions)	GSP	No incidence on existing import restrictions
Tanzania	GSP	EBA	
Thailand	EBA	GSP	Further coverage limitations (see p. 12)

Countries in alphabetical order	GSP status in 2013	Import regime as of 2014	Specificities in GSP product coverage
Tokelau Islands	EBA	Arrangement for oversees countries and territories	
Tonga	GSP	GSP	
Trinidad and Tobago	GSP	Economic Partnership Agreement	
Tunisia	GSP	EuroMed Association Agreement	
Turkmenistan	GSP	GSP	
Turks and Caicos Islands	GSP	Arrangement for oversees countries and territories	
Tuvalu	GSP	EBA	
Uganda	EBA	EBA	
Ukraine	EBA	GSP	Coverage limited for the first time (see p. 11)
United Arab Emirates	GSP	No preference – MFN tariff	
Uruguay	GSP	No preference – MFN tariff	
US Minor Outlying Islands	GSP	Arrangement for oversees countries and territories	
Uzbekistan	GSP	GSP	
Vanuatu	GSP	EBA	
Venezuela	EBA	No preference – MFN tariff	
Vietnam	GSP+	GSP	Previous limitations lifted (see p. 12)
Virgin Islands (USA)	GSP	Arrangement for oversees countries and territories	
Wallis and Futuna	GSP	Arrangement for oversees countries and territories	
Yemen	GSP	EBA	
Zambia	EBA	EBA	
Zimbabwe	EBA	EPA	

STEP 2: Check if your PRODUCTS benefit from GSP GSP+ or EBA preferences.

EBA is the most generous regime and it covers almost products, 99% of tariff lines, with the exception of arms and ammunition. Under EBA, products can access the EU market duty free (0% duty).

GSP and GSP+ cover about 66% of products in the EU customs tariff code. The main advantage of the GSP+ is that it gives improved access, mostly duty-free comparing to the general GSP scheme.

Secondly, products under GSP, if they become competitive and do not need support to access the EU market can lose preferential treatment. In the EU trade policy jargon we say that those products “graduated” from the GSP.

Products under GSP+ cannot be graduated. Graduation of products does not apply to GSP+ beneficiaries because they are vulnerable countries with a non-diversified base.

[Annex V of the new GSP regulation](#) (p. 30) contains a list of products eligible for preferential GSP treatment. The list is organised in sections (e.g. Section 5) and subsections (e.g. Section 2a). “Graduation” always applies to the whole group of products in a specific section/subsection.

China, India, Indonesia, Nigeria, Thailand, Ukraine have several competitive sectors that will no longer be covered by the standard GSP as of 1 January 2014, even if each of these countries remains a GSP beneficiary.

Details of GSP coverage for these countries are presented below at section level (see list in Annex V).

CHINA will only benefit from GSP for the following groups of products:

- vegetable products (Section 2a)
- animal or vegetable oils, fats and waxes (3 Section)
- meat products (Section 4a)
- tobacco (Section 4c)
- mineral products (Section 5)

In other words, live animals and most of animal products, part of vegetable products, prepared foodstuffs and beverages, spirits and vinegar, pulp of wood or of other fibrous cellulosic material, paper and paperboard articles, apparel and clothing accessories, arms and ammunition, as well as their parts and accessories, which were covered by GSP up to 31 December 2013 will as of 1 January 2014 fall under the normal (MFN) tariff.

INDIA will benefit from GSP for all products covered by the scheme except:

- mineral products (Section 5)
- inorganic and organic chemicals (Section 6a)
- chemicals, other than organic and inorganic chemicals (Section 6b)
- raw hides and skins and leather (Section 8a)
- textiles (Section 11a)
- road vehicles, bicycles, aviation & space, boats and their parts (Section 17b)

All these exceptions are new. Before 1 January 2014, India did not have any limitations in terms of GSP product coverage.

INDONESIA will benefit from GSP for all products covered by the scheme except:

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- live animals and animal products excluded fish (Section 1a);
 - animal or vegetable oils, fats and waxes (Section 3);
 - chemicals other than organic and inorganic chemicals (Section 6b);

Before 1 January 2014, only oils, fats and waxes were excluded.

THAILAND will benefit from GSP for all products covered by the scheme except:

- preparations of meat and fish (Section 4a)
- prepared foodstuffs, beverages, spirits and vinegar (Section 4b)
- pearls and precious metals (Section 14)

The MFN tariff for different food and drink products are new.

UKRAINE will benefit from GSP for all products covered by the scheme except railway and tramway vehicles and products (Section 17a). This is a new limitation.

Ukraine is eligible for the GSP+. If in the future it applies for and is granted GSP+ treatment, the above limitation will not apply.

NIGERIA will benefit from GSP for all products covered by the scheme except raw hides and skins and leather (Section 8a). This is a new limitation.

Nigeria is also eligible for GSP+. If in the future it applies for and is granted GSP+ treatment, this limitation will not apply.

VIETNAM did not – prior to 1 January 2014 – benefit from GSP preferential tariffs for footwear, headgear, umbrellas, walking sticks, whips, riding crops, articles made feathers, artificial flowers and articles of human hair. This restriction will be lifted on 1 January 2014.

[Annex IX of the new GSP regulation](#) (p. 62) contains a list of products eligible for preferential GSP+ treatment.

On 1 January 2014, the following 10 countries have GSP+ status: **ARMENIA, BOLIVIA, CAPE VERDE, COSTA RICA, ECUADOR, GEORGIA, MONGOLIA, PARAGUAY, PAKISTAN AND PERU.**

STEP 3: Use the EU's free Export Helpdesk to check tariff rates and other applicable requirements

The EU [Export Helpdesk](#), a free online database for developing countries, provides information about EU tariffs, proofs of origin and other requirements for access to the EU market. It is available in English, French, Spanish and Portuguese.

Just fill in a single form to access all the information related to the product you want to import into the EU from a particular country of origin.

(see examples on the following page)

TRADE
Export Helpdesk

European Commission > Trade > Export Helpdesk > My export

My export

Enter a product code (10 digits) [Find my product code](#)

Select a country of origin

Select a destination country

Select a simulation date (DD/MM/YYYY)

TRADE
Export Helpdesk

European Commission > Trade > Export Helpdesk

My export

Requirements Tariffs Generalised Scheme of Preferences

Code	Product Description
44	WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL
4404	Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise; wooden sticks, roughly trimmed but not turned, bent or otherwise worked, suitable for the manufacture of walking sticks, umbrellas, tool handles or the like; chipwood and the like
4404 20	-Non-coniferous

Origin	Measure Type	Tariff	Conditions	Footnote	EU Law
ERGA OMNES	Third country duty	0 %			R2261/98
GSP (special arrangement for the least-developed countries)	Tariff preference	0 %			R0978/12

Source [DG Taxation and Customs Union](#) [Taric](#) : 13/12/2013

See also [EU tariffs](#)

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