

Scheme of generalised tariff preferences (GSP)

2011/0117(COD) - 04/10/2018 - Follow-up document

The Commission presents its mid-term evaluation report on the application of Regulation (EU) No 978 /2012 applying a Scheme of Generalised Tariff Preferences (GSP) and repealing Council Regulation (EC) No 732/2008.

An independent external consultant was contracted to carry out a study to support this mid-term evaluation.

The external evaluation used three complementary approaches in the mid-term evaluation to analyse the functioning and impact of the GSP in the beneficiary countries and the EU, namely:

- quantitative and qualitative desk research and data analyses;
- an inclusive and extensive stakeholder consultation process;
- country and sector case studies.

For the economic analyses of the reformed GSP, the most up-to-date economic, trade and tariff data provided by Eurostat for the period 2011-2016 was used. Additionally, indicators were compiled to analyse the social, environmental and human rights impact in the beneficiary countries. Since the reformed GSP has only been in force for three years as of the start of the mid-term evaluation process, the number of readily available and up-to-date social, human rights and environmental impact indicators is limited. To overcome this shortcoming, case studies were undertaken in a number of beneficiary countries. These can, however, only give indications and are not necessarily representative. Therefore, the conclusions drawn at this point in time are indicative.

Main findings

The mid-term evaluation largely focused on an assessment of the results of the major reform that took place in 2012 as embodied in the current GSP Regulation. The evaluation showed that the EU's current GSP is on track in delivering on its objectives. Within the limits set by the WTO's Enabling Clause, it brings clear economic benefits to developing countries, making it relevant to the development needs of beneficiary countries. Moreover, the 2012 reform succeeded in focusing preferences on countries most in need and has contributed to their sustainable development. Finally, the efficiency of the scheme has remained stable during the period of implementation of the current regulation.

Therefore, the report noted that at this stage, there is no need to amend the GSP Regulation before its expiry on 31 December 2023.

The present mid-term evaluation constitutes an important input for the reflection on the next GSP Regulation. The Commission looks forward to discussions with the European Parliament, the Council and civil society in this respect.

Potential improvements

In line with the study's recommendations, the implementation of the GSP Regulation could however be improved in two important aspects:

- ***improving transparency in GSP+ monitoring and better involving civil society both in the EU and in the beneficiary countries***: in line with its commitments in the Trade for All Communication, the Commission is committed to transparency. In this respect, a number of measures are already in place to ensure transparency and inclusiveness in the GSP+ monitoring process. Regular and broad stakeholder consultations are held in order to allow civil society actors, including local civil society, to engage in the process. Additionally, the biennial reports on the implementation of the GSP are a major source of information and are made public immediately upon their transmission to the European Parliament and the Council. It should also be noted that the public UN and ILO reports are the primary source of information for GSP+ monitoring. The Commission will explore practical ways of improving transparency of GSP+ monitoring and to further civil society involvement;

- ***promoting greater awareness of GSP in beneficiary countries***: GSP success largely depends on the uptake of the scheme by exporters in beneficiary countries and the degree of their awareness of the GSP rules. In this respect, there are already actions and programmes financed or undertaken by the EU that have this objective. Even though promoting the scheme is primarily the responsibility of beneficiary countries, the EU could do more to raise awareness not just for businesses, but also for civil society organisations, who have an important role to play in the implementation of the international conventions.