Resolution on 'Developing countries, international trade and sustainable development: the function of the Community's generalised system of preferences (GSP) for the ten-year period from 2006 to 2015'

2004/2554(RSP) - 14/10/2004 - Text adopted by Parliament, topical subjects

The European Parliament welcomed the objectives set out by the Commission's communication and endorsed the Commission's resolve to improve the current GSP through the simplification and clarification of the arrangements, the concentration of preferences on those developing countries most in need, and the enhancement of the sustainable development component. Parliament regretted that the Communication, which sets out new ten-year guidelines for the GSP, does not refer to any prior evaluation of the functioning and impact of the current GSP, nor was there any stakeholder consultation.

It noted that the Commission proposes extensive reforms of the current GSP system, such as a reduction in the arrangements from five to three, a new graduation system based only on market share criteria and the simplification of rules of origin. However, Parliament criticized the fact that the new graduation system is based solely on market share criteria, disregarding development and poverty indicators, which could discriminate against large yet poor exporters.

Parliament felt that, in order to improve its impact on the special needs of developing countries, the next GSP Regulation should:

- grant preferences in conformity with the comparative advantage and export interests of developing countries themselves, especially taking account of the most vulnerable sectors of society,

- extend preferential access to a wide range of new products and transfer a significant number of products currently classified as 'sensitive' to the 'non-sensitive' category;

- consider the importance of food sovereignty and the right of the countries concerned to protect their agriculture in the implementation of the GSP;

- ensure that the new graduation system applied does not have a significant negative impact on the developing countries concerned;

The single system of additional concessions (GSP plus) should be a simple and predictable arrangement that is compatible with the WTO Enabling Clause and thus provides for objective criteria for the selection and evaluation of beneficiary countries. To qualify for "GSP Plus", beneficiary countries must have both ratified and implemented the relevant international conventions.

Parliament concluded that, although full support is given to the objectives stated by the Commission, further clarification as to the exact details and implementation mechanisms of the different arrangements is required for Parliament to be able to carry out a more informed and definitive assessment. The Council and the Commission are asked to start the consultation process on the new GSP first implementing regulation sufficiently in advance to allow for proper involvement and consultation of the European Parliament, partner countries and other interested parties.