

## **EUROPEAN COMMISSION**

DIRECTORATE-GENERAL
TAXATION AND CUSTOMS UNION
Security, safety, Trade Facilitation, Rules of origin & International cooperation
Coordination and task force for monitoring implementation of rules of origin
GSP rules of origin – Non-preferential origin

Brussels, 19.12.2014 TAXUD/B-TF/ Ares (2014)4533206

INFORMATION NOTE TO EU DELEGATIONS IN, OR IN CHARGE OF, COUNTRIES BELONGING TO:

the Association of Southeast Asian Nations (ASEAN), the South Asian Association for Regional Cooperation (SAARC), and the GSP Cumulation Group II (Bolivia, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panama, Peru, Venezuela)

Subject:

GSP rules of origin - Impact of the removal of some countries from the list of beneficiary countries as of 1 January 2015

In accordance with Commission Delegated Regulation (EU) No 1421/2013 amending Regulation (EU) No 978/2012, as of 1 January 2015, China, Thailand, Ecuador and the Maldives will lose their status of beneficiary countries of the GSP of the Union. The Commission informed these countries on several occasions of their forthcoming exclusion from the GSP. In order to alert them again, an information letter from Director DG TRADE-D has been sent to the Ambassadors of China, Thailand and the Maldives to the EU, with a copy to the EU Delegations concerned.

In the case of Ecuador, the Commission has made a legislative proposal outside the GSP legal framework for a Regulation that would grant Ecuador the same tariff arrangements (i.e. effectively extending the preferences as given through GSP+ as well as the corresponding rules of origin, e.g. use of Form A and cumulation) as those in place on 12 December 2014, date of initialling the recently negotiated EU-Ecuador Trade Agreement. This Regulation will almost certainly be adopted before the end of 2014 by the colegislators and apply as of 1 January 2015 (in the very unlikely event that it were adopted in 2015, refund procedures would allow for retrospective claiming of preference). This "standstill" Regulation is considered as an interim and temporary arrangement until the EU-Ecuador Trade Agreement is applied, but not beyond 31 December 2016.

As for Thailand (belonging to ASEAN, i.e. cumulation group I) and the Maldives (belonging to SAARC, i.e. cumulation group III), these two countries will no longer be entitled to participate in regional cumulation operations and the remaining GSP beneficiary countries in the respective cumulation groups/regions will no longer be entitled to use materials originating in Thailand or the Maldives under cumulation.

In accordance with Article 86(2)(a) of Regulation (EEC) No 2454/93 (as amended by Regulations (EU) No 1063/2010 and No 530/2013), hereinafter 'the GSP rules of origin', this change will affect (processed) products exported as of 1 January 2015 from

<sup>1</sup> China does not belong to any cumulation group.