



EU Generalised System of Preferences

GSP+ Mongolia

European Commission
DG Trade

GSP+ visit
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Disclaimer

- This presentation is not a legal document and has been prepared exclusively for information purposes. This should not be used by any party as a basis for any decisions with legal implications. The exclusive legal basis for GSP is Regulation (EU) No 978/2012 of the European Parliament and of the Council.*

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I. Overview GSP+

EU GSP – 3 programs

GSP

- Tariff reductions on 6200 tariff lines
- € 27 bn

GSP+

- No duties on 6200 tariff lines
- € 6.5 bn

EBA

- No duties, no quotas all tariff lines except arms & ammunition
- € 17 bn

Currently 8 GSP+ beneficiaries





GSP+ criteria

- Low or lower-middle income economy
 - **GNI per capita below \$4,036**
- No other preferential arrangement with the EU
- Ratification of 27 international conventions
 - **Human & labour rights, environment, good governance**
- Vulnerability
 - **7 largest GSP sections cover more than 75% of beneficiary's GSP exports**
 - **GSP exports of that country less than 6.5% of total GSP exports to the EU**

GSP+ commitments



- Binding undertakings:
 - **maintain ratification**
 - **effective implementation**
 - **reporting requirements**
 - **monitoring procedure**
- In practice:
 - **scorecard exercise → biennial GSP+ public report**
 - **continuous GSP+ dialogue with EU**
 - **high political visibility in European Parliament, European Council, Civil Society**

What GSP+ means (economically)



- Zero rate of duty on over 6000 EU tariff lines
 - **savings in duties** 
- Market reach
 - single market of 500 million consumers, 1st trading power, 16% of world exports and imports**
- Platform for strengthening integration into multilateral system
- Promotion of sustainable economic growth

GSP mid-term evaluation

- Is the reformed GSP regulation reaching its objectives?
- Economic, social, human rights, environmental impacts on beneficiary countries



- gspevaluation.com

More information

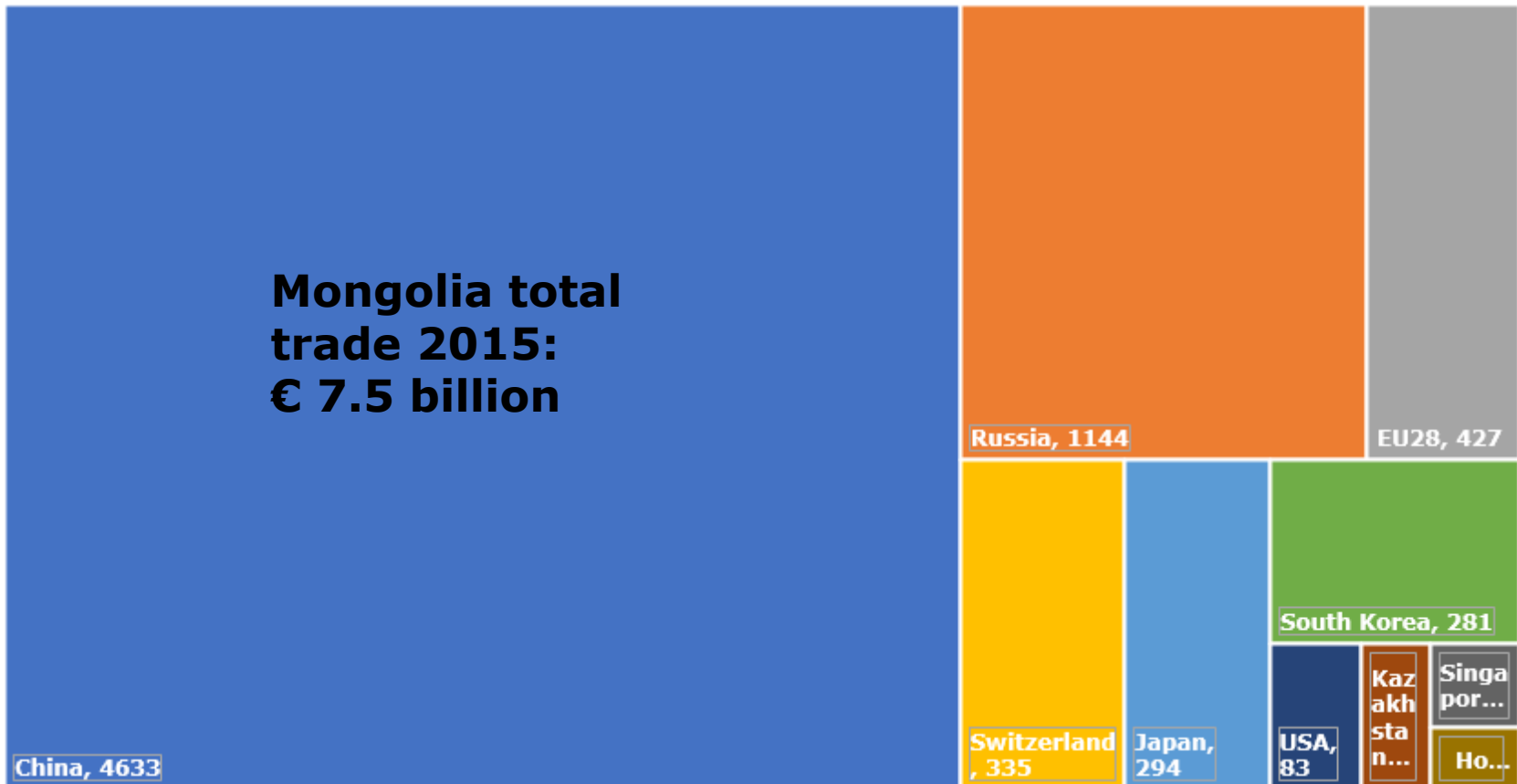
- Fact sheet GSP+ :
http://trade.ec.europa.eu/doclib/docs/2017/january/tradoc_155235.pdf
- Legal text GSP+ Regulation: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02012R0978-20170101>
- 2015 study on economic benefits generated by GSP:
http://trade.ec.europa.eu/doclib/docs/2015/july/tradoc_153595.pdf



II. EU-Mongolia Trade

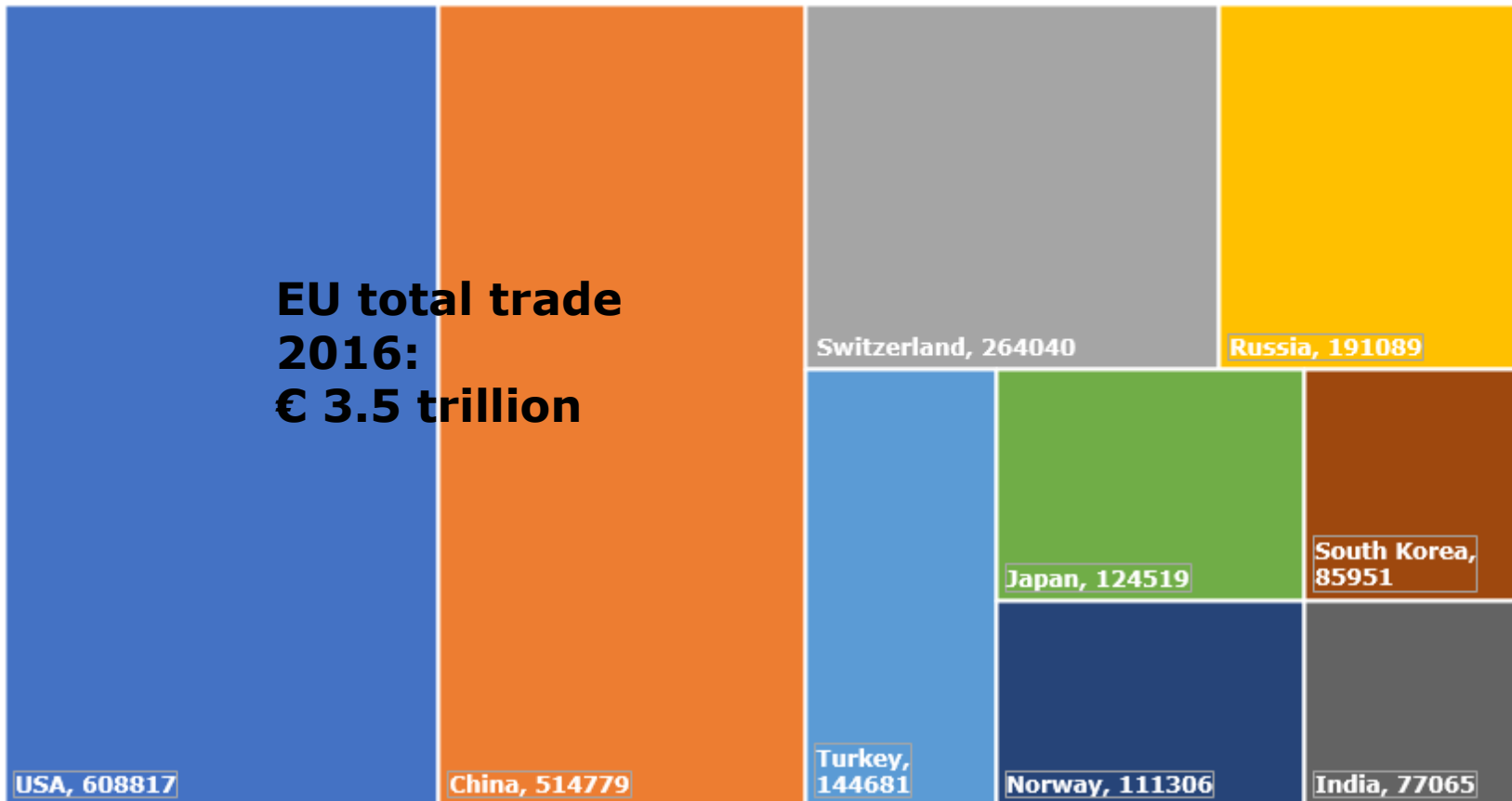
Mongolia's top trade partners

2015 total trade in million €

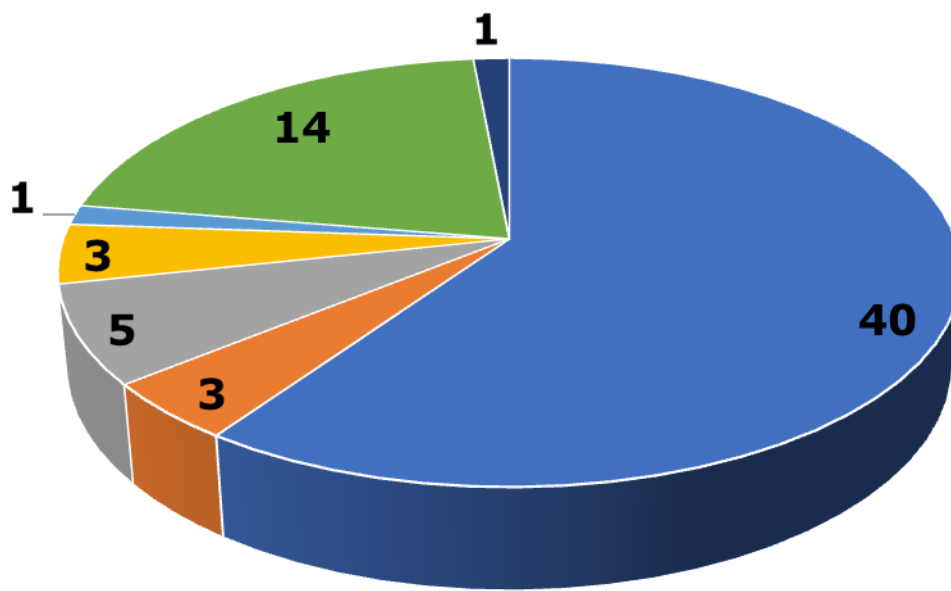


EU28 top trade partners

2016 total trade in million €



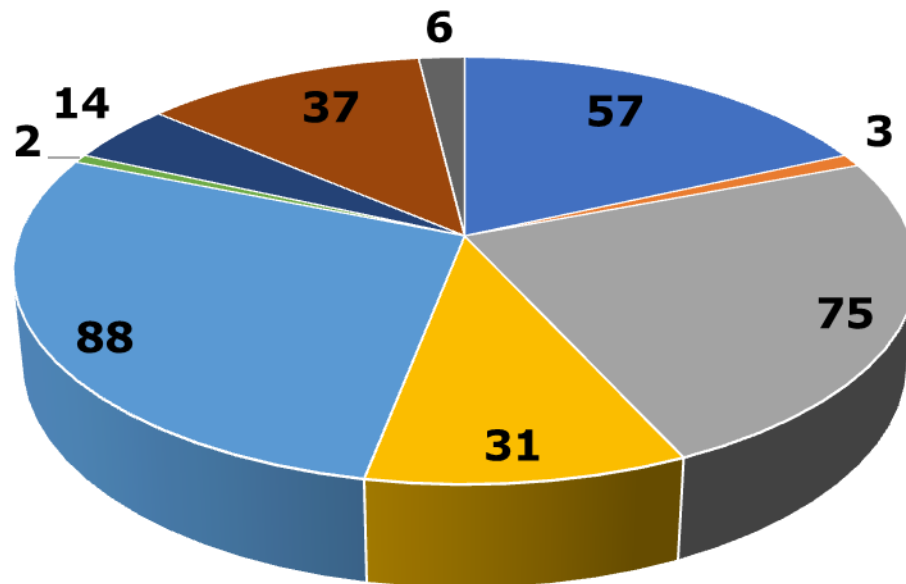
Top EU imports from Mongolia, mio €



- Agri. products (food incl. fish & raw materials)
- Fuels & mining products
- Other semi-manufacturers
- Machinery & transport equipment
- Textiles
- Clothing
- Other manufacturers

2016 TOTAL: € 67 million

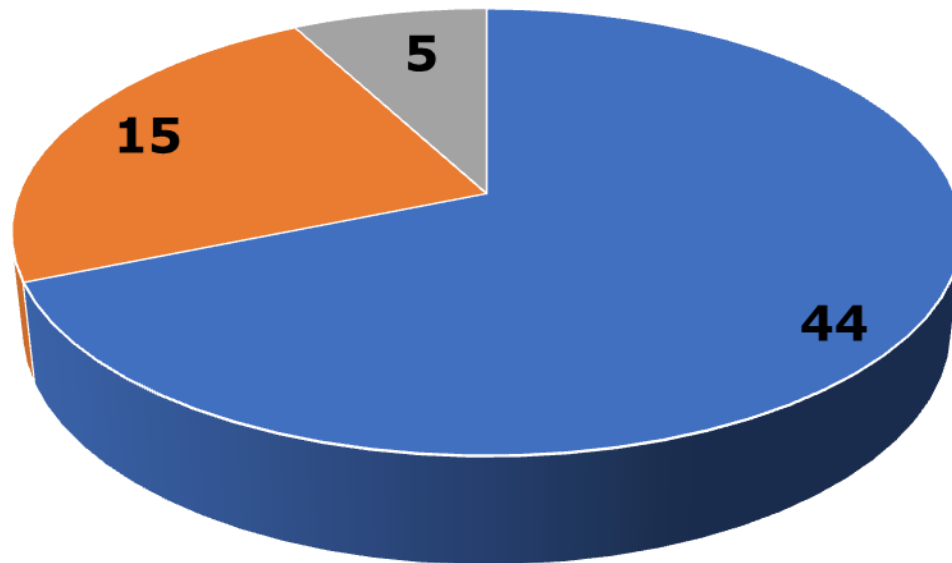
Top EU exports to Mongolia, mio €



2016 TOTAL: € 313 million

- Agri. products (food incl. fish & raw materials)
- Fuels & mining products
- Chemicals
- Other semi-manufacturers
- Machinery & transport equipment
- Textiles
- Clothing
- Other manufacturers
- Rest

EU imports from Mongolia at 0 duty rate 2016, mio €



- Usage MFN zero
- Usage GSP zero
- Non zero

Top sections GSP+ utilisation

AVERAGE	83%
Cork, straw & plaiting	100%
Miscellaneous	97%
Clothing	96%
Articles of leather & fur skins	94%
Textiles	92%
Footwear	85%
Headgear, umbrellas, sticks, whips, feathers & down	83%
Raw hides & skins & leather	74.5%



III.

EU Export Helpdesk

... or how to use GSP+

How does it help Mongolian companies?

By providing information on:



- Import conditions for each product exported to the EU market
 - **Health, safety, technical standards, marketing standards**
- Custom duties, duty discounts
- How to make use of reduced duties (trade preferences)
 - **Rules & proofs of origin**



How does it help Mongolian companies?

- Contact for advice



- **Competent authorities in Member States, customs offices, chamber of commerce**

- Trade statistics

- **How much of my product is already exported to the EU?**
- **All trade flows product by product**



Why does it help Mongolian companies?

- Available online
- All information free of charge
- Real life data – frequent updates
- Total & product-specific trade data
- Contact form for individual requests
 - **Response within 3 working days**

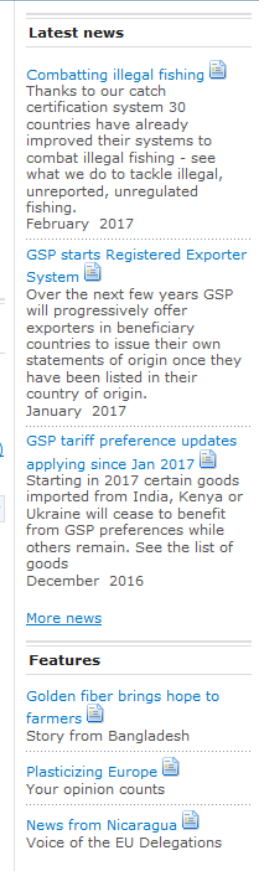
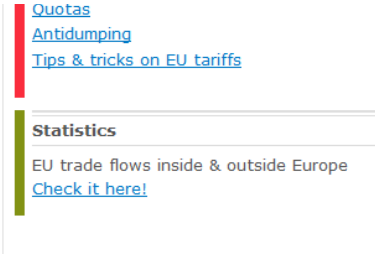
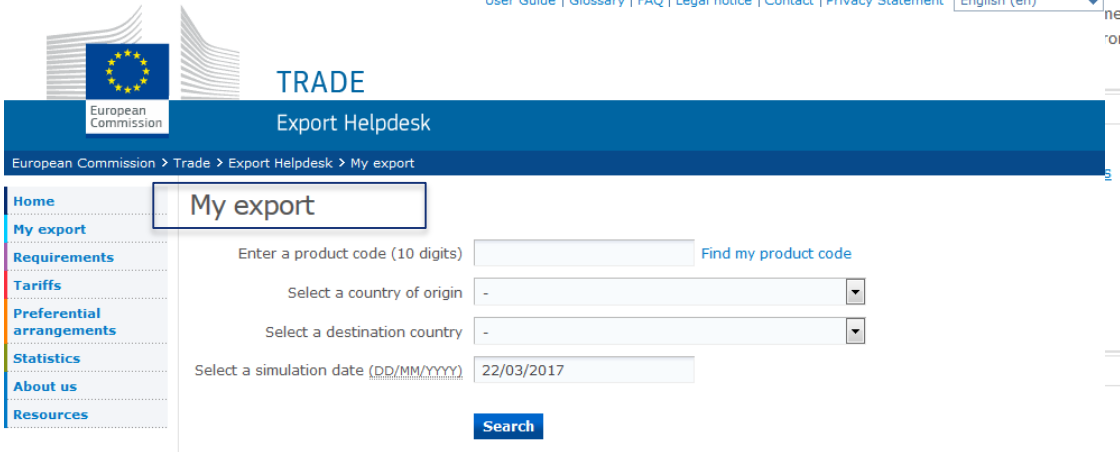
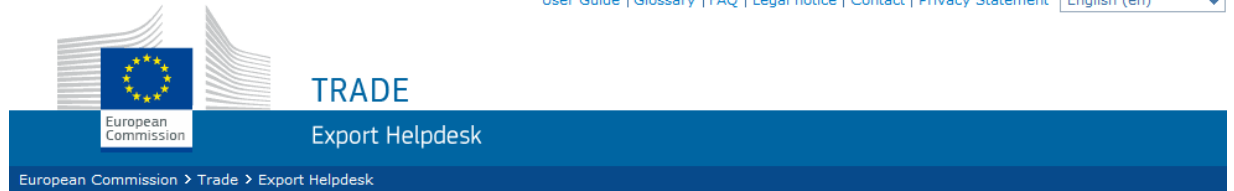




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Website





Got to "My export" and define the product code for your product

1ST STEP

My export form



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Export Helpdesk

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My export

Enter a product code (10 digits)



Select a country of origin

- ▼

Select a destination country

- ▼

Select a simulation date (DD/MM/YYYY)

22/03/2017



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The System helps you find the code

The screenshot shows a web browser window titled "European Commission : Trade : Export Helpdesk - Mozilla Firefox". The address bar contains the URL: <http://exporthelp.europa.eu/thdapp/nomenclature/NomenclatureServlet?action=nomen§ion=tariff&taricCode=6110000000&prodLir>. The page header includes the European Commission logo and the text "TRADE Export Helpdesk". Below the header, there is a navigation bar with "Product List" and "Chapter List/61/6110" (the latter is highlighted), and a search box with a "Search" button. The main content is a table with two columns: "Code" and "Product Description".

Code	Product Description
61	ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, KNITTED OR CROCHETED
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted
6110 11	- Of wool or fine animal hair
6110 11	-- Of wool
6110 11 10	--- Jerseys and pullovers, containing at least 50 % by weight of wool and weighing 600 g or more per article
6110 11 30	--- Other
6110 11 30	---- Men's or boys'
6110 11 90	---- Women's or girls'
6110 12	-- Of Kashmir (cashmere) goats
6110 12 10	--- Men's or boys'
6110 12 10 10	---- Hand-made jerseys, pullovers (with or without sleeves)
6110 12 10 90	---- Other
6110 12 90	--- Women's or girls'
6110 12 90 10	---- Hand-made jerseys, pullovers (with or without sleeves)
6110 12 90 90	---- Other
6110 19	-- Other
6110 19 10	--- Men's or boys'
6110 19 10 10	---- Hand-made jerseys, pullovers (with or without sleeves)
6110 19 10 90	---- Other
6110 19 90	--- Women's or girls'
6110 19 90 10	---- Hand-made jerseys, pullovers (with or without sleeves)
6110 19 90 90	---- Other



Fill in the search form

2ND STEP



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What? Where from? Where to?

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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)



YOUR SEARCH RESULTS

For exporters: EU requirements

My export

Requirements **Tariffs** Rules of Origin GSP Plus

61101290 - From Mongolia / To Germany

Code	Product Description
61	ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, KNITTED OR CROCHETED
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted
6110 11	-Of wool or fine animal hair
6110 12	--Of Kashmir (cashmere) goats
6110 12 90	--- Women's or girls'



Specific requirements for 61101290

- [Import requirements for seal products](#)
- [Labelling for textiles](#)
- [Restriction on the use of certain chemical substances in textile and leather products](#)
- [Technical standards for personal protective equipment](#)
(Only required for clothing falling under the scope of Directive 89/686/EEC)
- [Voluntary - Eco-label for textile products](#)

For exporters: taxes

Internal Taxes

	Rate	Notes	Revision Date
VAT	19%	Germany, EU	01/01/2017
Excise	-	Germany, EU	01/11/2016

See also [general import requirements EU](#), [Import Procedures Germany](#), [EU](#)



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For exporters: tariffs

My export

Requirements **Tariffs** Rules of Origin GSP Plus

Code	Product Description
61	ARTICLES OF APPAREL AND CLOTHING ACCESSORIES, KNITTED OR CROCHETED
6110	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted
6110 11	-Of wool or fine animal hair
6110 12	--Of Kashmir (cashmere) goats
6110 12 90	---Women's or girls'
6110 12 90 10	----Hand-made jerseys, pullovers (with or without sleeves)
6110 12 90 90	----Other

Origin	Measure Type	Tariff	Conditions	Footnote	EU Law
ERGA OMNES	Third country duty	12 %			R1789/03
ERGA OMNES	Supplementary unit	/p/st			R2658/87
ERGA OMNES	Suspension - goods for certain categories of ships, boats and other vessels and for drilling or production platforms	0 %	Show	EU003 TM510	R2658/87
ERGA OMNES	Airworthiness tariff suspension	0 %	Show	CD333	R1147/02
GSP+ (incentive arrangement for sustainable development and good governance)	Tariff preference	0 %			R0978/12



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For exporters: rules of origin

My export

Requirements Tariffs Rules of Origin GSP Plus

GSP rules of origin - Chapter61 - Detail

HS heading	Description of product	Working or processing, carried out on non-originating materials, which confers originating status
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted: - Obtained by sewing together or otherwise assembling, two or more pieces of knitted or crocheted fabric which have been either cut to form or obtained directly to form - Other	(a) LDCs Manufacture from fabric (b) Other beneficiary countries Knitting and making-up (including cutting) [61] [62] Spinning of natural and/or man-made staple fibres or extrusion of man-made filament yarn, in each case accompanied by knitting (knitted to shape products) or Dyeing of yarn of natural fibres accompanied by knitting (knitted to shape products) [63]

[\[61\]](#) For special conditions relating to products made of a mixture of textile materials, see Introductory Note [6](#).

[\[63\]](#) For special conditions relating to products made of a mixture of textile materials, see Introductory Note [6](#).

[How to read the rules of origin?](#)

Source [EUR-Lex](#)



Statistics

3RD STEP

Trade statistics



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Statistics

Filling in the input form below you will find the trade flows between any country and the EU since 2002. You can transfer this data to an Excel file. More detailed statistics available at [Comext](#)

Select a reporting country:

EUR28 ▼

Select a partner country:

Mongolia ▼

Enter a product code:

6110129090

[Find my product code](#)

Select year(s)



2016



2015



2014



2013



2012



2011



2010



2009



2008



2007



2006



2005



2004



2003

[Search](#)



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Indicators	+	×	×	×	×
		Import Value to the EU/MS (EURO)	Import Qty to the EU/MS (Kg)	Export Value from the EU/MS (EURO)	Export Qty from the EU/MS (Kg)
Partners		Mongolia	Mongolia	Mongolia	Mongolia
Years		2016	2016	2016	2016
Reporters	⬇	⬇	⬇	⬇	⬇
Austria		152,867	-	230	-
Belgium		2,617,545	14,000	-	-
Czech Republic		52,181	-	-	-
Denmark		5,645	-	-	-
Estonia		791	-	-	-
Finland		11,194	-	-	-
France		733,140	3,000	93,121	-
Germany		1,071,256	4,000	556	-
Hungary		1,641	-	-	-
Ireland		281	-	-	-
Italy		565,944	1,000	4,125	-
Latvia		13,081	-	7,757	-
Netherlands		2,002	-	-	-
Poland		14,814	-	-	-
Sweden		59,761	-	-	-
United Kingdom		1,449,204	10,000	-	-
EU28		6,751,347	32,000	105,789	-

Export to Excel 



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- Let's plan your next export project!

www.exporthelp.europa.eu

IV.

GSP rules of origin



Purpose & conditions

- Ensure preferences go only to beneficiaries
- To be found in Annex 13a Regulation (EU) 1063/2010 & Export Helpdesk
- Conditions for imports to benefit from GSP:
 - 1. Goods must originate in beneficiary country (wholly obtained / sufficiently processed).**
 - 2. In transit to EU, goods must not be transformed**
 - 3. Valid proof of origin**



V. Registered Exporter System

REX in a nutshell

- System of self-certification of origin by exporters with statements on origin (replacing certificates)
- Exporters are registered in a database by competent authorities to be entitled to apply the system
- No change of rules for determining origin

Registration of exporters

- Exporter fills in (electronically/on paper) application & submits it signed to competent authorities
- If application is complete, competent authorities encode it in the REX system, assign a REX number, registration & validity dates
- Competent authorities inform the exporter of the registration or non-registration

Application for registration

- Simple and easy to fill in by exporters
- TIN number (box 1): Trader Identification Number
- Section 7 to be filled in by competent authorities
- Registration to be done once (not as Form A certificates for each export)



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1. Exporter's name, full address and country, EORI or TIN ⁽²⁾ .
2. Contact details including telephone and fax number as well as e-mail address where available.
3. Specify whether the main activity is producing or trading.
4. Indicative description of goods which qualify for preferential treatment, including indicative list of Harmonised System headings (or chapters where goods traded fall within more than 20 Harmonised System headings).
5. Undertakings to be given by an exporter The undersigned hereby: <ul style="list-style-type: none">— declares that the above details are correct,— certifies that no previous registration has been revoked; conversely, certifies that the situation which led to any such revocation has been remedied,— undertakes to make out statements on origin only for goods which qualify for preferential treatment and comply with the origin rules specified for those goods in the Generalised System of Preferences,— undertakes to maintain appropriate commercial accounting records for production/supply of goods qualifying for preferential treatment and to keep them for at least three years from the end of the calendar year in which the statement on origin was made out,— undertakes to immediately notify the competent authority of changes as they arise to his registration data since acquiring the number of registered exporter,— undertakes to cooperate with the competent authority;— undertakes to accept any checks on the accuracy of his statements on origin, including verification of accounting records and visits to his premises by the European Commission or Member States' authorities, as well as the authorities of Norway, Switzerland and Turkey (applicable only to exporters in beneficiary countries).



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- undertakes to request his removal from the system, should he no longer meet the conditions for exporting any goods under the scheme,
- undertakes to request his removal from the system, should he no longer intend to export such goods under the scheme.

.....
Place, date, signature of authorised signatory, name and job title

6. Prior specific and informed consent of exporter to the publication of his data on the public website

The undersigned is hereby informed that the information supplied in this application may be disclosed to the public via the public website. The undersigned accepts the publication and disclosure of this information via the public website. The undersigned may withdraw his consent to the publication of this information via the public website by sending a request to the competent authorities responsible for the registration.

.....
Place, date, signature of authorised signatory, name and job title

7. Box for official use by competent authority

The applicant is registered under the following number:

Registration Number:

Date of registration

Date from which the registration is valid

Signature and stamp

Registration

- Before performing the registration, competent authorities have to verify that:
 - **application submitted by exporter is complete**
 - **correct data in application form**
 - **applicant is established & functional manufacturer/trader (not just customs or tax representative)**
 - **applicant is not bankrupt**

Registration

- Registration of exporter is one-time operation
- Internet connection only needed for registration
- Registration should be free of charge



Exporting to Norway and Switzerland

- Norway & Switzerland apply same GSP rules of origin as the EU (collaboration)
- An exporter is automatically registered for GSP schemes of EU, Norway, Switzerland if the country is in those GSP schemes



Origin certification (pre REX)

- Form A certificate
 - Requested by the exporter
 - Issued (and stamped) by competent authorities in beneficiary countries
 - Stamps communicated by beneficiary countries to the European Commission
 - Value of exports > 6000€

1. Goods consigned from (exporter's business name, address, country)		Reference No	
2. Goods consigned to (consignee's name, address, country)		GENERALIZED SYSTEM OF PREFERENCES CERTIFICATE OF ORIGIN (Combined declaration and certificate) FORM A Issued in _____ (country) <small>See notes overleaf</small>	
3. Means of transport and route (as far as known)		4. For official use	
5. Item number	6. Marks and numbers of packages	7. Number and kind of packages, description of goods	8. Origin criterion (see notes overleaf)
		9. Gross weight or other quantity	10. Number and date of invoices
11. Certification It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct.		12. Declaration by the exporter The undersigned hereby declares that the above details and statements are correct; that all the goods were produced in _____ (country) and that they comply with the origin requirements specified for those goods in the generalized system of preferences for goods exported to: _____ (importing country).	
Place and date, signature and stamp of certifying authority		Place and date, signature of authorized signatory	

Origin certification (post REX)

- Statement on origin
 - **Made out by exporters in beneficiary countries**
 - **Made out by exporters in EU (bi-lateral cumulation)**
- On any commercial documents
- Registered exporters: export value > 6000€
- All exporters: export value < 6000€

Origin certification – key points

- REX system is a system of self-certification by exporters themselves
- The proof of origin under the REX system is called a statement on origin
- Making out a statement on origin doesn't require interaction with the competent authorities or with the REX system

Administrative cooperation

- Key obligations of competent authorities:
 - **ensure proper implementation and management of the GSP rules of origin**
 - **provide administrative cooperation for verification of proofs of origin and for monitoring visits in the beneficiary country**
 - **control regularly the registered exporters**

Notification of competent authorities

- Internal organisation (competent authorities") should be decided in each beneficiary country
- Notification of list of competent authorities (+ addresses & contact details) to the EU at least 3 months before the application of the REX system (i.e. before 30 September 2016)
- Exporters in beneficiary countries should be informed

Obligations of exporters

- Exporters shall keep available:
 - **appropriate commercial accounting records concerning production & supply of goods qualifying for preferential treatment**
 - **all evidence relating to the materials used in the manufacture**
 - **all customs documentation relating to the materials used**
 - **records of statements on origin, originating & non-originating materials, production & stock accounts**

Training on REX

- April 2017 (EU funded project for the MFA, the General Authority for Customs and Taxation and MNCCI)
- 2018 DG TAXUD training for Mongolian customs representatives

More information

- Webpage REX system:
https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin/arrangements-list/generalised-system-preferences/the_register_exporter_system_en
 - **Table of countries applying REX system**
 - **Link to eLearning module**



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Thank you