COMMISSION DELEGATED REGULATION (EU) 2018/148

of 27 September 2017

amending Annexes II, III and IV to Regulation (EU) No 978/2012 of the European Parliament and of the Council applying a scheme of generalised tariff preferences

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 978/2012 of the European Parliament and of the Council of 25 October 2012 applying a scheme of generalised tariff preferences and repealing Council Regulation (EC) No 732/2008 ([1]), and in particular Articles 5(3), 10(5) and 17(2) thereof,

Whereas:

(1) Article 4 of Regulation (EU) No 978/2012 establishes the criteria for granting tariff preferences under the general arrangement of the Generalised Scheme of Preferences ('GSP').

(2) Points (a) and (b) of Article 4(1) of Regulation (EU) No 978/2012 provide, respectively, that a country that has been classified by the World Bank as a high-income or an upper-middle income country for 3 consecutive years, or a country that benefits from a preferential market access arrangement which provides the same tariff preferences as the GSP, or better, for substantially all trade, should not benefit from GSP.

(3) The list of beneficiary countries of the general GSP referred to in point (a) of Article 1(2) of Regulation (EU) No 978/2012 is established in Annex II to that Regulation. Article 5(2) of Regulation (EU) No 978/2012 provides that Annex II is to be reviewed by 1 January of each year. The review should take into account changes in the economic, development or trade conditions of beneficiary countries in relation to the criteria laid down in Article 4.

(4) Pursuant to Article 5(2) of Regulation (EU) No 978/2012, a GSP beneficiary country and economic operators are to be given sufficient time for an orderly adaptation to the country's GSP status revision. Therefore, the GSP arrangement is to continue for 1 year after the date of entry into force of a change in a country's status as referred to in Article 4(1)(a) and for 2 years after the date of application of a preferential market access arrangement, as referred to in Article 4(1)(b).

(5) Paraguay has been classified by the World Bank as upper-middle income country in 2015, 2016 and 2017. Therefore, Paraguay no longer qualifies for GSP beneficiary country status in accordance with Article 4(1)(a) of Regulation (EU) No 978/2012 and should be removed from the list of GSP beneficiary countries in Annex II to that Regulation, with application from 1 January 2019.

(6) Preferential market access arrangements started to apply to Côte d'Ivoire on 3 September 2016, to Swaziland on 10 October 2016, and to Ghana on 15 December 2016. Therefore, in accordance with Article 4(1)(b), Côte d'Ivoire, Swaziland and Ghana should also be removed from Annex II to Regulation (EU) No 978/2012 with application from 1 January 2019.

(7) Article 9(1) of Regulation (EU) No 978/2012 sets out specific eligibility criteria for granting tariff preferences under the special incentive arrangement for sustainable development and good governance ('GSP+') to GSP beneficiary countries. The list of GSP+ beneficiary countries is established in Annex III to Regulation (EU) No 978/2012.

(8) As a consequence of its ceasing to be a GSP beneficiary country as from 1 January 2019, Paraguay also ceases to be a GSP+ beneficiary country under Article 9(1) of Regulation (EU) No 978/2012. Paraguay should therefore be also removed from Annex III to that Regulation with application from 1 January 2019.

([1]) OJ L 303, 31.10.2012, p. 1.

(9) Article 17(1) of Regulation (EU) No 978/2012 provides that a country which is identified by the United Nations ('UN') as a least-developed country should benefit from the tariff preferences provided under the special arrangement for the least-developed countries (Everything But Arms ('EBA')). The list of EBA beneficiary countries is established in Annex IV to that Regulation.

(10) The UN graduated Equatorial Guinea from the least-developed country category on 4 June 2017. Therefore, Equatorial Guinea no longer qualifies for EBA beneficiary status under Article 17(1) of Regulation (EU) No 978/2012 and should be removed from Annex IV to that Regulation. In accordance with Article 17(2) of Regulation (EU) No 978/2012, the removal of Equatorial Guinea from the list of EBA beneficiary countries should apply following a transitional period of 3 years from the date on which this Regulation enters into force, namely from 1 January 2021.

(11) Furthermore, Equatorial Guinea has been classified by the World Bank as high income country in 2015 and as upper-middle income country in 2016 and 2017. Therefore, Equatorial Guinea no longer qualifies for GSP beneficiary country status in accordance with Article 4(1)(a) of Regulation (EU) No 978/2012 and should also be removed from the list of GSP beneficiary countries in Annex II to that Regulation with application from 1 January 2021,

HAS ADOPTED THIS REGULATION:

Article 1

Amendments to Regulation (EU) No 978/2012

Regulation (EU) No 978/2012 is amended as follows:

(1) in Annex II, the following alphabetical codes and the corresponding countries are deleted from columns A and B, respectively:

CI	Côte d'Ivoire
GH	Ghana
PY	Paraguay
SZ	Swaziland

(2) in Annex III, the following alphabetical code and the corresponding country is deleted from columns A and B, respectively:

PY	Paraguay

(3) in Annexes II and IV, the following alphabetical code and the corresponding country is deleted from columns A and B, respectively:

GQ	Equatorial Guinea

Article 2

Entry into force and application

This Regulation shall enter into force on 1 January 2018.

Article 1(1) and (2) shall apply from 1 January 2019.

Article 1(3) shall apply from 1 January 2021.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 27 September 2017.

For the Commission
The President
Jean-Claude JUNCKER