

Brussels, 9 January 2020 (OR. en)

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SPG 8 WTO 321 DELACT 213

'I/A' ITEM NOTE

| From: | General Secretariat of the Council |
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| To: | Permanent Representatives Committee/Council |
| No. Cion doc.: | 14566/19 |
| Subject: | COMMISSION DELEGATED REGULATION (EU)/ of 26.11.2019 amending the vulnerability threshold set out in point 1(b) of Annex VII to Regulation (EU) No 978/2012 of the European Parliament and the Council applying a scheme of generalised tariff preferences - Delegated act - intention not to raise objections |

- 1. Pursuant to Article 9(1)(a) of the Regulation (EU) No 978/2012 of the European Parliament and of the Council¹ (GSP Regulation), a country is considered vulnerable in case of a lack of diversification and insufficient integration within the international trading system. That vulnerability must be assessed using the methodology and threshold described in Annex VII point 1(b) to the GSP Regulation.
- 2. Annex VII point 1(b) of the GSP Regulation lays down that for a country to be considered vulnerable, the total of its imports of products listed in Annex IX into the Union shall represent less than 6.5% in value of the total imports into the Union of products listed in Annex IX and originating in GSP beneficiary countries listed in Annex II to the GSP Regulation as an average during the last three consecutive years.
- 3. Article 9(2) of the GSP Regulation empowers the Commission to adopt delegated acts to amend Annex VII in order to review the vulnerability threshold listed in point 1(b) of Annex VII. Such a need arises because the list of GSP beneficiaries in Annex II was substantially

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OJ L 303, 31.10.2012, p. 1.

amended as twenty-one countries were removed since the last review of the vulnerability threshold took place by Commission Regulation 2015/602. The Commission has therefore submitted the above delegated act to the Council.

- 4. The Commission having notified the delegated act to the Council on 26 November 2019, the Council may object to that draft delegated act within a period of two months, i.e. until 27 January 2020.
- 5. The Working Party on the Generalised System of Preferences has been consulted on the delegated act and agreed that there are no grounds for the Council to object to it.
- 6. It is therefore suggested that Permanent Representatives' Committee recommend that the Council confirm that it has no intention to object to the delegated act and that the Commission and the European Parliament are to be informed thereof.

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