



Joint NGO statement in response to the GSP draft regulation

Brussels, October 2021

The GSP Platform and the undersigned organisations take note of the draft GSP regulation presented by the European Commission. We appreciate the inclusion of several new conventions, such as the UN Convention on the Rights of Persons with Disabilities, the ILO Convention on Labour Inspections, and the Commission’s intention to address forced labour.

We also appreciate the inclusion of the Paris Climate Agreement, and we hope for alignment with the goals of the Green Deal in practice. Conversely, it is disappointing to note that the Rome Statute of the International Criminal Court as well as the Optional Protocol to the International Covenant on Civil and Political Rights have not been included.

We regret that the proposal leaves the obligation to ratify and implement those conventions (“positive conditionality”) only to GSP+ beneficiaries, whereas EBA and standard GSP countries would continue to have no such obligation. As the [study in support of an impact assessment for the reform of the GSP regulation](#) highlighted, “the GSP+ arrangement seems to be more effective in incentivising beneficiary countries to ratify international conventions and work on their implementation”. “Conversely”, the study continues, “the negative conditionality [...] serves only to a limited extent as a deterrent [...]to refrain from

violating the principles established in the conventions [...], nor does it provide a strong incentive [...] to comply with international human and labour rights norms.” The European Parliament and Council of the EU should ensure that positive conditionality, or at least the obligation to ratify the conventions, is extended to all GSP beneficiaries.

We recognise the effort made by the Commission to balance the wishes of all stakeholders. Nevertheless, we regret that core weaknesses of the current scheme, repeatedly highlighted by civil society, academics, and other stakeholders, remain unaddressed, and we invite the Council and the Parliament to engage proactively in the ongoing legislative process to amend the draft as necessary. These weaknesses pertain to a lack of transparency, to the access and effectiveness enforcement procedure, and to the participation of civil society, human rights defenders and trade unions in the monitoring process.

The Parliament, in its 2019 resolution¹ clearly expressed the importance of improved transparency and dialogue to improve oversight and effectiveness of the scheme. The Commission itself, in its report to the Parliament and Council on the midterm evaluation of the GSP scheme, had noted that it would *“explore practical ways of improving transparency of GSP+ monitoring and to further civil society involvement”*². The steps currently taken are not satisfactory, and it is therefore disappointing to see that this commitment was not properly reflected in the draft regulation.

Engagement with key stakeholders, including trade unions, local community representatives, human rights defenders, and civil society (both local and international) is imperative to ensure that the conventions in the GSP schemes are implemented in practice. As such, increased formalised access to the monitoring process by these groups is vital.

The introduction of a requirement for GSP+ beneficiaries to submit a plan of action for the effective implementation of the relevant conventions can be a positive development, provided the right conditions are met. Future amendments to the regulation should ensure that the final plan of action must be made public, and that it has to receive the approval of the Commission, in consultation with the Parliament and civil society, in order to ensure that it is credible and ambitious, and that it includes specific benchmarks

¹ EP Resolution: Implementation of the Generalised Scheme Preferences (GSP) Regulation
https://www.europarl.europa.eu/doceo/document/TA-8-2019-0207_EN.html

² Report from the Commission to the European Parliament and the Council on the application of Regulation (EU) No 978/2012 applying a Scheme of Generalised Tariff Preferences and repealing Council Regulation (EC) No 732/2008
https://trade.ec.europa.eu/doclib/docs/2018/october/tradoc_157438.PDF

and a clear timeline. Furthermore, the regulation should clarify what role the implementation of the action plan would play in the monitoring process. In any case, the obligation to implement the action plan should not be confused with the primary obligation to implement the GSP conventions, and the Commission should stand ready to react in case of breaches, whether they fall within the scope of the action plan or not.

The new regulation should also require the Commission to conduct thorough human rights and environmental impact assessments before granting any GSP preferences. The assessment should be transparent and involve meaningful participation of independent civil society. It should ascertain the extent to which the trade preferences might result in negative consequences for workers, the environment and society and serve to agree on the flanking measures needed to avoid these risks.

Furthermore, we urge the Commission to take civil society and labour unions as important partners to implement the conventions in beneficiary countries. The Commission should provide extra support in GSP beneficiary countries for labour inspections to take place in an open and fair manner, with labour attaches in EU delegations providing assistance if needed, as well as for the implementation of other human rights conventions.

The reliance on the Single-Entry Points complaint mechanism for enhancing the enforcement of GSP is a welcome development in principle. However, the Single-Entry Points complaint mechanism is regulated by the Operating Guidelines and is not based on a legal instrument. Therefore, it is desirable that the complaint mechanism is further formalised in rules adopted through the ordinary legislative procedure, and that it is opened to third country stakeholders, including human rights defenders, which is currently not the case.

We look forward to discussing the issues raised above with the Commission, the Council and the Parliament, contributing to a more impactful GSP Regulation that achieves its full potential.