

REGULATIONS

COMMISSION DELEGATED REGULATION (EU) 2021/114

of 25 September 2020

amending Annexes II and III to Regulation (EU) No 978/2012 of the European Parliament and of the Council as regards Armenia and Vietnam

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) and 10(5) thereof,

Whereas:

- (1) Article 4 of the Regulation (EU) No 978/2012 establishes the criteria for granting tariff preferences under the general arrangement of the Generalised Scheme of Preferences ('GSP').
- (2) Regulation (EU) No 978/2012 provides that a country that has been classified by the World Bank as a high-income or an upper-middle income country during three 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, is not to benefit from GSP.
- (3) The list of beneficiary countries under the GSP is established in Annex II to Regulation (EU) No 978/2012. Pursuant to that Regulation, the Commission is to review Annex II by 1 January each year in order to amend the status of the listed countries in accordance with the criteria laid down in Article 4 of that Regulation.
- (4) Pursuant to 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 should continue for one year after the date of entry into force of the decision to remove a beneficiary country from the list of GSP beneficiary countries on the basis of point (a) of Article 4(1) and for two years after the date of application of a preferential market access arrangement on the basis of point (b) of Article 4(1).
- (5) Armenia was classified by the World Bank as upper-middle income country in 2018, 2019 and 2020. Armenia 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 2022.
- (6) 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.
- (7) As a consequence of its ceasing to be a GSP beneficiary country as from 1 January 2022, Armenia should also cease to be a GSP+ beneficiary country under Article 9(1) of Regulation (EU) No 978/2012. Armenia should therefore be removed from Annex III to that Regulation with application from 1 January 2022.

⁽¹⁾ OJ L 303, 31.10.2012, p. 1.

- (8) A preferential market access arrangement started to apply to Vietnam on 1 August 2020. In accordance with Article 4(1)(b) of Regulation (EU) No 978/2012, Vietnam should also be removed from Annex II to that Regulation. In line with precedents in comparable cases and in order to ensure legal certainty and avoid undue administrative burden, the removal of Vietnam from Annex II should apply from 1 January 2023,

HAS ADOPTED THIS REGULATION:

Article 1

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

1. In Annex II, under the heading “Beneficiary countries of the general arrangement referred to in point (a) of Article 1(2)”, the following alphabetical codes and corresponding countries are removed from columns A and B, respectively:
 - (a) AM Armenia;
 - (b) VN Vietnam.
2. In Annex III, the following alphabetical code and the corresponding country is deleted from columns A and B, respectively:

AM Armenia

Article 2

This Regulation shall enter into force on 1 January 2021.

Article 1(1), point (a) and Article 1(2) shall apply from 1 January 2022.

Article 1(1), point (b) shall apply from 1 January 2023.

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

Done at Brussels, 25 September 2020

For the Commission
The President
Ursula VON DER LEYEN