

SCHEDULES

SCHEDULE 3

Regulation 22

Goods Graduation

1. In this Schedule—

“GF imports” means goods that—

- (a) are imported into the British Islands,
- (b) originate from a GF country that is a qualifying GSP country, and
- (c) have a standard rate of import duty greater than a nil rate;

“goods graduation ground” means—

- (a) Ground A which applies to GF imports in the circumstances referred to in paragraph 2; or
- (b) Ground B which applies to GF imports in the circumstances referred to in paragraph 3;

“goods graduation notice” means a notice published under regulation 22(1) that provides for the following matters—

- (a) the fact that the GF rate is to be suspended on GF imports;
- (b) the graduation goods and GF country, or countries, to which the suspension applies;
- (c) the day the suspension of the GF rate begins;
- (d) the day the suspension ends and the fact the period of suspension can be extended by a further notice; and
- (e) the goods graduation ground.

“graduation assessment” means an assessment of GF imports carried out by the Secretary of State that—

- (a) is carried out at any time during the period 1st January to 29th September;
- (b) assesses the value of GF imports over the import review period ending on the preceding 31st December;
- (c) is carried out in 2022 and every third year thereafter; and
- (d) determines whether Ground B applies in accordance with paragraph 3;

“graduation goods” means GF imports in respect of which—

- (a) a goods graduation ground applies; or
- (b) the relevant GF rate has been suspended in accordance with regulation 22 and this Schedule;

“GSP BI imports” means GSP goods that—

- (a) are imported into the British Islands;
- (b) originate from qualifying GSP countries; and
- (c) have a standard rate of import duty greater than a nil rate.

Status: This is the original version (as it was originally made).

Ground A

2. Ground A applies, where, immediately before the appointed day, the European Union had suspended preferential rates of import duty under the EU GSP on goods originating from a GF country, pursuant to an implementing act under article 8.3 of the EU GSP.

Ground B

3.—(1) Ground B applies, where—

- (a) a graduation assessment has been carried out; and
- (b) that assessment determines that during the import review period ending on the preceding 31st December, GF imports from one GF country—
 - (i) have the GSP section reference specified in column 1 of the Table; and
 - (ii) the import ratio for those goods, exceeds the import threshold in column 2, of the Table.

(2) For the purposes of Ground B, the Table in this paragraph (“the Table”) has effect, in accordance with the rules specified in this paragraph and the following words and expressions have the following meaning—

“import ratio” means the mean average value of GF imports from one GF country, as a percentage of the total value of GSP BI imports of the same goods, into the British Islands, over the import review period;

“import threshold” means the maximum permitted import ratio specified in column 2 of the Table;

“same goods” means goods in the same GSP section.

Table

<i>Column 1</i>	<i>Column 2</i>
S-2a	17.5%
S-3	17.5%
S-5	17.5%
S-11a	47.2%
S-11b	47.2%
All other GSP section references not specified in the preceding rows	57.0%

4. Where Ground A applies—

- (a) the Secretary of State must publish a goods graduation notice, on or before the appointed day and may publish more than one notice;
- (b) the GF rate on the graduation goods is suspended during the period specified in such a notice;
- (c) the period of suspension may begin on or after the appointed day; and
- (d) the period of suspension must end on the last day that the EU GSP rate is suspended under the applicable implementing act or acts; (unless extended by a further notice).

5. Where Ground B applies—

- (a) the goods graduation notice must be published on or before 30th September of the year preceding the year in which the suspension begins;
 - (b) the suspension of the GF rate must begin on the 1st January following the publication of the goods graduation notice; and
 - (c) the period of suspension cannot exceed 3 years (unless extended by further notice).
6. In the circumstances specified in paragraph 7, the Secretary of State must—
- (a) extend the suspension period for graduation goods, so that there is no interruption in consecutive periods; and
 - (b) publish a goods graduation notice, on or before 30th September of the year preceding the year in which the extended suspension begins.
7. The suspension of the GF rate on graduation goods must be extended where—
- (a) the GF rate on those goods is already suspended under regulation 22; and
 - (b) either—
 - (i) Ground A applies pursuant to paragraph 2 and then continues to apply pursuant to paragraph 3; or
 - (ii) a graduation assessment determines that Ground B applies to the goods, in accordance with paragraph 3.