

THE COALITION OF GSP COUNTRIES

October 21, 2011

GSP Renewal Essential to Regaining Hard-won U.S. Market

The Coalition of GSP Countries praised reinstatement of the Generalized System of Preferences (GSP), as signed into law today by President Obama after bipartisan action by the U.S. House of Representatives and U.S. Senate earlier this month.

“We are grateful to the President and to the U.S. Congress for reinstating the GSP,” stated the Coalition. The group’s members advocated to the U.S. Congress that renewal of the GSP was essential to re-establishing hard-won U.S. market share for developing-country producers and to strengthening the countries’ competitiveness for economic growth.

“Renewal of GSP does not come a moment too soon,” according to Coalition spokesperson, Marideth Sandler. U.S. imports under GSP declined by more than 19 percent in value between January and August 2011, as compared to the same period last year. In contrast, the value of all U.S. imports increased by nearly 17 percent during the same period.

In its advocacy, the Coalition also stressed the critical importance of GSP renewal to the many American manufacturers that import products under the program to keep their costs low and to remain competitive vis-à-vis producers in other countries. The countries noted that restoration of GSP was necessary to boost the American economy and to strengthen U.S. employment.

Ten geographically and economically diverse nations comprise the Coalition of GSP Countries, which has worked together since April 2011 to advocate for the GSP program’s renewal.

Background

The GSP benefits more than 3.8 billion people living in more than two-thirds of the world’s economies. Nearly 5,000 varied products are eligible for duty-free entry into the U.S. market from the world’s least-developed nations, while 3,400 different types of products are eligible for duty-free entry from developing nations. U.S. imports under GSP in 2010 totaled \$22.6 billion or less than 1.2 percent of all U.S. imports.

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