

EXPORTING TO THE EU

USING THE EVERYTHING BUT ARMS (EBA)
PREFERENTIAL TRADING SCHEME



**ASEAN REGIONAL
INTEGRATION SUPPORT
ARISE PLUS LAO PDR**



EXPORTING TO THE EU

USING THE EVERYTHING BUT ARMS (EBA) PREFERENTIAL
TRADING SCHEME

EU EBA BUSINESS GUIDE - FOR LAO PDR

This document has been produced with the assistance of the European Union.
The contents of this brochure can in no way be taken to reflect the views of the European Union or the International Trade Centre.

ABOUT THE PROJECT

The 'Exporting to the EU – Utilizing the Everything-but-Arms (EBA) Preferential Trading Scheme' (hereinafter referred to as the EU EBA Business Guide) was developed as part of the ASEAN Regional Integration Support – Lao PDR's Trade Related Assistance Project (ARISE Plus Lao PDR).

The International Trade Centre (ITC), a joint agency of the World Trade Organization (WTO) and the United Nations (UN), is supporting the Government of Lao PDR to implement the four-year "ASEAN Regional Integration Support from the EU Plus – Lao PDR (ARISE Plus Lao PDR)" project, funded by the European Union (EU). The project is oriented towards the improvement of the overall business environment and increased participation in global value chains.

Under the scope of the ARISE Plus Lao PDR project, ITC is undertaking activities to strengthen understanding of Lao businesses to opportunities available in the EU market, particularly given the duty-free, quota-free market access available to Lao PDR under the EU's Everything But Arms (EBA) scheme; and improve capacity to meet requirements to benefit from such access to the EU market.

In this regard, this consolidated business guide on the EU's Everything but Arms (EBA) scheme has been developed to help Lao businesses understand the application of EU's preferential market access schemes; and function as a step-by-step guide for businesses to meet the relevant requirements and procedures that must be complied with in order to export to the EU and benefit from the duty-free access under the EBA scheme.

The information contained in this Business Guide was collected between July 2020 and March 2021. The Guide provides an overview of relevant information for exporters from Lao PDR. The Guide does not constitute legal advice and does not provide exhaustive information on all sectors. It remains the responsibility of exporters from Lao PDR to ensure compliance with all relevant rules in Lao PDR and the EU.

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The International Trade Centre

Street address: ITC, 54–56, Rue de Montbrillant, 1202 Geneva, Switzerland

Postal address: ITC, Palais des Nations, 1211 Geneva, Switzerland

Telephone: (41-22) 730 01 11

E-mail: itcreg@intracen.org

Website: <http://www.intracen.org>

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Tobias Dolle (International Consultant) and Phoutavanh Sithammavanh (National Consultant) were responsible for collecting information and drafting the Guide. Jean-Sébastien Roure, Senior Officer-Business and Trade Policy, and Vidya Nathaniel, Trade Policy Consultant (both ITC), reviewed the guide and supervised the drafting of the guide.

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ACRONYMS AND ABBREVIATIONS

ASEAN	Association of Southeast Asian Nations
ASYCUDA	Automated System for Customs Data
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CN	EU's Combined Nomenclature
DIMEX	Lao PDR Ministry of Industry and Commerce's Department of Import and Export
DOA	Lao PDR's Department of Agriculture
EBA	Everything But Arms
EC	European Commission
EU	European Union
FLEGT	European Union Forest Law Enforcement, Government and Trade
FSC	Forest Stewardship Council
GMO	Genetically modified organism
GSP	Generalised Scheme of Preferences
GSP+	Generalised Scheme of Preferences Plus
ISPM	International Standards for Phytosanitary Measures
ITC	International Trade Centre
LDC	Least developed countries
MFN	Most-favoured nation
MoIC	Ministry of Industry and Commerce
MRL	Maximum residue level
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
REX	The EU's Registered Exporter System
SAD	EU's single administrative document
TLAS	Timber legality assurance system
VAT	Value-added tax
VPA	Voluntary partnership agreement
WTO	World Trade Organization

GLOSSARY

Term	Description/explanation
Cumulation	Cumulation is a mechanism that allows a business to consider non-originating materials used or processing carried out in another country as originating in the business's country or as carried out in the business's country.
Diagonal cumulation	In the context of rules of origin, diagonal cumulation operates between more than two countries provided that identical origin rules and provision for cumulation apply between them. Only originating products or materials can benefit from diagonal cumulation.
Everything But Arms (EBA)	The European Union's (EU's) special arrangement for least-developed countries under the GSP Regulation.
EU's Combined Nomenclature (CN)	The Combined Nomenclature is a tool for classifying goods, set up to meet the requirements of the EU's Common Customs Tariff and of the EU's external trade statistics. A consolidated version is published at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A31987R2658 (accessed 10 May 2021).
Generalised Scheme of Preferences (GSP)	The EU's Generalised Scheme of Preferences (GSP) removes import duties from products coming into the EU from developing countries and is supposed to support developing countries to alleviate poverty and enhance job creation based on international values and principles, including labour and human rights.
General or Standard GSP	The Standard or General GSP applies to low- and lower-middle-income countries and provides for a partial or full removal of customs duties on two-thirds of tariff lines.
Generalised Scheme of Preferences Plus (GSP+)	The GSP+ is the EU's special incentive arrangement for sustainable development and good governance. It applies to same tariff lines as the Standard GSP and reduces the applicable duties to 0% for vulnerable low- and lower-middle-income countries that implement 27 international conventions related to human rights, labour rights, the protection of the environment and good governance.
Group I countries	In the context of rules of origin, "regional cumulation" is a form of diagonal cumulation, which only exists under the Generalised Scheme of Preferences (GSP) and operates between members of a regional group of beneficiary countries. ¹ Group I includes the other Association of Southeast Asian Nations (ASEAN) member states benefitting from the EU's GSP, namely Cambodia, Indonesia, Lao PDR , Malaysia, Myanmar, the Philippines, Thailand and Viet Nam.
Regional cumulation	In the context of rules of origin, "regional cumulation" is a form of diagonal cumulation, which only exists under the Generalised Scheme of Preferences (GSP) and operates between members of a regional group of beneficiary countries.

¹ Laid down in Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015, available at http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.343.01.0001.01.ENG.

Registered exporter	An exporter registered for the EU's Registered Exporter system in accordance with Article 86 of the Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015.
Rules of origin	Rules of origin are the rules to attribute a country of origin to a product.
Qualifying operation	Qualifying operation refers to the working or processing, carried out on non-originating materials, which confers originating status to a good.
Wholly obtained	In the context of rules of origin, goods are wholly obtained when their production is completed in one country. Therefore, it applies mainly to products occurring naturally and to goods made entirely from them.
World Bank classification of income status	In terms of income, the World Bank divides the world's economies into four income groups: high, upper middle, lower middle and low. The income classification is based on a measure of national income per person. This classification is referred to by the EU in the GSP Regulation to determine beneficiary countries.

ABOUT THE EU EBA BUSINESS GUIDE

Lao PDR currently benefits from preferential market access to the EU market under the EU's Everything But Arms (EBA) scheme, which is one of the three unilateral preferential trade arrangements providing favourable market access conditions to products imported into the EU (the other two schemes being the Standard GSP and GSP+ schemes).

The EBA arrangement is the scheme applicable for least developed countries (LDCs) providing **duty-free, quota-free access** for all products, except for arms and armaments, to the EU market.

Lao PDR has been recommended for graduation from LDC status in 2026. Following its possible graduation, the EU will need to make a decision to remove Lao PDR from the list of beneficiaries of the EU EBA scheme and the benefits will then only cease to apply following a transition period of three years. **Therefore, Lao PDR should be able to benefit from preferential market access under the EU's EBA scheme until at least 2029.**

Almost 85% of current exports from Lao PDR to the EU market are eligible for EBA preferences. From these exports that are eligible for EBA preferential market access, almost 89% of Lao exports are al-

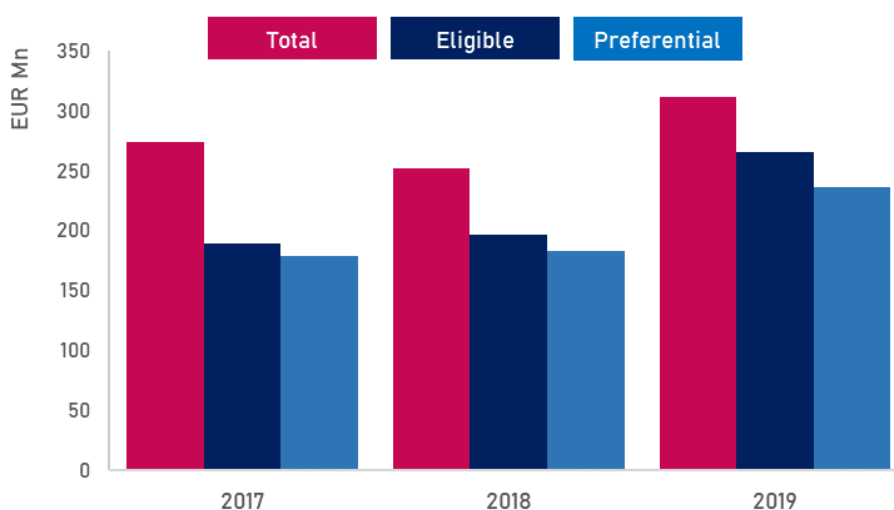
ready exporting duty free to the EU by using these EBA benefits.

However, **some traders still do not use the available trade preferences**, which can be attributed to several reasons, such as the lack of awareness of the EBA preferential market access scheme, constraints faced in complying with relevant rules (such as rules of origin) to benefit from preferential access, or failure to prove compliance with the relevant rules to the EU authorities.¹

Further, while a large percentage of Lao PDR exports to EU are indeed already making use of the EBA scheme benefits, Lao PDR **still has a large untapped export potential to the EU**. According to ITC's analysis, Lao PDR is currently only tapping into 27% of its export potential to the EU, while 73% remains unused.² This indicates that there is still scope for more exports from Lao PDR to the EU markets.

Lao PDR should make efforts to capture this export potential and this is an opportunity to also encourage more traders to export to the EU market – especially by making use of the level of market access available for Lao PDR traders seeking to engage in the EU market.

Figure 1: Preference use and export diversification – Lao PDR imports to the EU (euros million)



Source: GSP Hub – EU <https://gsphub.eu/country-info/Lao%20People's%20Democratic%20Republic>,

Given that Lao PDR will be able to make use of the EU EBA preferences *for at least another eight years*, this is an important opportunity for Lao PDR businesses to tap into that, so far, untapped potential and establish its presence in the EU market and build lasting trade relations. In this context, the objective of this guide is for Lao PDR traders to understand:

- | The existing EU preferential trading schemes in place, and the potential for Lao PDR under the EBA

scheme, and what Lao PDR needs to be aware of in terms of the other EU preferential trading schemes that would be applicable for Lao PDR after graduation from LDC status; and

- | How Lao PDR traders can access the EU market – with instructions on the relevant rules and procedures that must be complied with in order to benefit from the applicable preferential trading scheme.

This guide is divided into three parts:

Part A: Understanding the EU's preferential trading arrangements: The first part sets out an overview of the EU preferential trading schemes, namely the EU EBA scheme, the Standard GSP scheme and the GSP+ scheme. This section seeks to help the reader understand the requirements for benefitting from each of these schemes, the general product categories covered under each of the schemes and the basis for temporary withdrawal or removal of the schemes, and also provide an update on the current status of reforms to the EU GSP schemes.

Part B: General guidelines for exporting under the EU preferential trading schemes: The second part provides general information on exporting under the EU preferential trading schemes, with focus on Lao PDR's access under the EBA scheme. More specifically, the section covers rules of origin, safeguards, the EU's Registered Exporter system (REX), the EU's single administrative document, expenses in addition to the tariff duty, and required steps for Lao PDR traders to export to the EU. The section also provides an overview of additional resources, which can be useful for Lao PDR businesses interested in exporting their products to the EU (e.g. online resources and relevant contact points).

Part C: Sector-specific guidelines for exporting under the EU preferential trading schemes: The third part builds on Part B to provide detailed guidelines for the relevant procedures and requirements that have to be complied with for specific sectors. For the purposes of this guide, five product sectors were selected, taking into account existing and future export potential for Lao PDR, namely: raw agricultural products; processed food products; garments/textiles; footwear; and processed wood products. These guidelines can be used as a basis for identifying and complying with procedures for other sectors as well.

Readers can make use of the glossary of terms provided to reference technical terms covered in this business guide.

PART A: UNDERSTANDING THE EU PREFERENTIAL TRADING SCHEMES

1.1 EU's preferential trading schemes – EBA, Standard GSP and GSP+

The EU's preferential trading schemes – referred to as the Generalised Scheme of Preferences (GSP) is a system of unilateral trade concessions that reduce or eliminate tariffs on a range of exports from developing countries and LDCs. The GSP is used to increase export revenue in developing countries in order to reduce poverty and promote sustainable development and good governance. The GSP preferential arrangements focus solely on granting tariff preferences for trade in goods.

The EU's GSP has been in place since 1971, although it has periodically been subject to reviews of varying depth and extent. Most changes affected, in relevant part, issues related to the GSP's product coverage, quotas, ceilings, administration, beneficiaries and depth of tariff cuts. The architecture of the scheme has also undergone significant changes over time.

The EU's GSP is consistent with the World Trade Organization's (WTO) 1979 Enabling Clause, which operates as an exception to one of the pillars of the WTO system, the most-favoured nation (MFN) obligation, allowing developed countries to grant differential and more favourable tariff treatment to imports from developing countries.

The current legislative foundation for the EU's GSP is set out in Regulation (EU) No. 978/2012 (herein-after referred to as the GSP Regulation).³ In its current form, the EU's GSP comprises three types of preferential arrangements.

Table 1 provides an overview of the key principles applicable to each of these schemes – in terms of eligibility, level of market access and cessation of preference.

Figure 2: Types of EU preferential trade arrangements

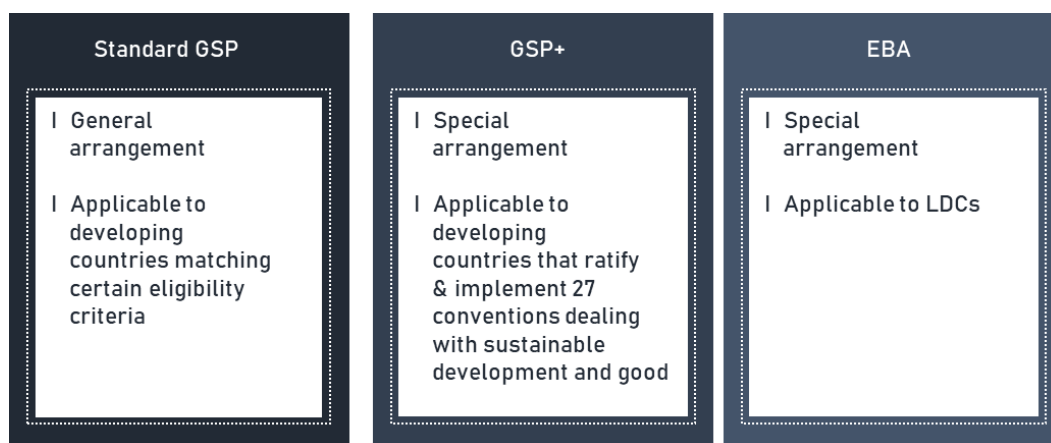


Table 1: Key information into operation of the EU's preferential trading schemes

	EBA	Standard GSP	GSP+
Which countries are eligible?	<p>All least developed countries.</p> <p>Currently, 48 countries are listed as EBA beneficiaries in Annex IV of the GSP Regulation, including Lao PDR.⁴</p>	<p>Developing countries that:</p> <ul style="list-style-type: none"> (i) Have not been classified by the World Bank as a high-income or upper-middle-income country during the last three consecutive years; and (ii) Do not benefit from a preferential market access arrangement with the EU providing equal or larger tariff preferences than the Standard GSP, for substantially all trade (such as free trade agreement partners, or EU overseas territories).⁵ <p><i>Annex II of the GSP Regulation provides the list of countries that can benefit from the Standard GSP.⁶</i></p>	<p>Beneficiary countries of the Standard GSP that:</p> <ul style="list-style-type: none"> (i) Meet the economic vulnerability criteria indicated in Article g(1)(a) and Annex VII of the GSP Regulation;⁷ and (ii) Have ratified and effectively implemented 27 international conventions on human rights, environment and labour rights listed in Annex VIII of the GSP Regulation.⁸ <p>There are currently eight countries listed as GSP+ beneficiaries.</p>
How to apply?	<p>Countries do not need to apply to benefit from the EBA scheme, but will be automatically eligible if identified as an LDC by the United Nations (UN).⁹</p>	<p>Countries do not need to apply to qualify for Standard GSP arrangement. The European Commission (EC) adds or removes qualifying countries from the list through legal acts.</p>	<p>Application is not automatic, unlike for EBA and Standard GSP. The Standard GSP beneficiary country has to submit an application, following which the EC conducts an evaluation of compliance with relevant conditions and requirements.</p>
What is the level of coverage?	<p>Duty-free access on all products, except for arms, ammunition and similar products (i.e. the products classified under Chapter 93 of the EU's Combined Nomenclature).¹⁰</p>	<p>Approximately 66% of tariff lines are entitled to duty-free or reduced duty access to the EU market.¹¹</p> <p>Tariff reductions depend on various factors, notably whether the product is considered sensitive or non-sensitive.¹²</p> <p>More specifically:</p>	<p>The GSP+ scheme applies to substantially the same products as the Standard GSP scheme (covering approximately 66% of the tariff lines), but does not make a distinction between sensitive and non-sensitive products and, therefore, extends the range of tariff lines that benefit from duty-free preferences.¹³</p>

	EBA	Standard GSP	GSP+
<p>What is the level of coverage? (cont.)</p>		<ul style="list-style-type: none"> ▪ Non-sensitive products are granted duty-free access; and ▪ Sensitive products from this list are granted reduced duty access. <p><i>Refer to Annex I for further details.</i></p>	
<p>When do preferences cease to apply?</p>	<p>Graduation from sector level</p>		
	<p>Upon graduation from LDC status, a three-year transition period will apply before EBA preferences are completely withdrawn.¹⁴</p>	<p>Upon graduation to a higher-middle-income or high-income status, a one-year transition period will apply before GSP benefits expire for all eligible products.¹⁵</p> <p>Further, in the case of GSP+ beneficiaries, the GSP+ benefits will also cease to apply if it no longer fulfils its economic vulnerability criteria (as defined in Article 9(1) and Annex VII of the GSP Regulation).¹⁶</p>	
<p>Product-based graduation</p>			
	<p>There is no graduation mechanism for products.</p>	<p>Standard GSP and GSP+ benefits will generally be suspended for specific products when the average value of EU imports of a given product, in three consecutive years, exceeds 57% of the total EU imports of that product from all GSP beneficiaries.¹⁷ This threshold is set at 47.2% with respect to textile and clothing goods, and at 17.5% with respect to trees and plants, fats and oils, and certain chemical substances. Therefore, for example, if textile imports from a country were to exceed 47.2% of the total EU imports of that product from all GSP beneficiaries for three consecutive years, the EU would suspend relevant preferences from that country for that particular product.</p> <p>This was the case for certain products from India, Indonesia and Kenya.¹⁸ The average value of EU imports of (i) textiles from India; and (ii) wood and articles of wood, and wood charcoal from Indonesia exceeded the thresholds set out in the relevant GSP Regulation¹⁹ in three consecutive years, resulting in the EU suspending preferences for these products from the specific countries.</p>	

When do preferences cease to apply? (cont.)

EBA	Standard GSP	GSP+
<p>Entry into preferential trade agreement with the EU</p>		
<p>EBA status and preferences are not withdrawn by entering into a preferential trade agreement with the EU</p>		<p>GSP and GSP+ benefits will be removed upon entry into a preferential market access arrangement with the EU – although a transition period of two years from date of application of the preferential market access arrangement will apply before full removal of benefits.²⁰</p>
<p>Withdrawal of preferences</p>		
<p>Preferences can be withdrawn in exceptional circumstances, notably in the case of:²¹</p> <ul style="list-style-type: none"> ▪ Serious and systematic violation of principles laid down in fundamental human rights and labour rights conventions. For example, in 2020, the EU removed EBA preferences on certain products from Cambodia due to serious and systematic concerns related to human rights ascertained in the country.²² ▪ Export of goods made by prison labour. ▪ Serious shortcomings in customs controls on the export or transit of drugs, or failure to comply with international conventions on anti-terrorism and money laundering. ▪ Serious and systematic unfair trading practices, including those affecting supply of raw material, which have an adverse effect on the EU industry and that have not been addressed by the beneficiary country. ▪ Serious and systematic infringement of the objectives adopted by regional fishery organizations or any international arrangements to which the EU is a party concerning the conservation and management of fishery resources. ▪ Fraud or irregularities to comply with, or to implement, the rules on the origin of the covered products, as well as to grant administrative cooperation to implement and police the preferential arrangements. <p>Further, for GSP+ beneficiaries, preferences can be temporarily withdrawn when the EU considers the beneficiary country no longer fulfils the specific conditions for the GSP+ (e.g. ratification and effective implementation of the covered international conventions, or has formulated a reservation, which is prohibited by, or is incompatible with, the object or purpose of the conventions).²³</p>		

1.2 Status of Lao PDR's access to the EU market under its preferential trading arrangements

i. Lao PDR as a beneficiary of the EBA scheme

As an LDC, Lao PDR is able to benefit from the duty-free, quota-free access on all products, except for arms, ammunition and related products, to the EU market.

Given that Lao PDR has been recommended for graduation from LDC status in 2026, the EBA preferences will technically apply until at least 2029 (refer to Box 1) given that there is a three-year transition period follo-

wing graduation before the preferences are withdrawn.

After withdrawal of the EBA preferences, Lao PDR can qualify for the Standard GSP or apply for access to the GSP+ scheme (which provides for deeper tariff preferences than the Standard GSP scheme) – subject to it meeting the relevant eligibility criteria.

Refer to Annexes I and II for a more detailed insight into the operation of the Standard GSP and GSP+ schemes under the current GSP Regulation, which applies until 2023.

Box 1: Lao PDR's graduation from LDC status

The list of LDCs is reviewed every three years by the United Nations Economic and Social Council, in light of recommendations by the Committee for Development Policy (CDP), a subsidiary body of the United Nations Economic and Social Council. The three criteria used to determine LDC status are i) per capita income; ii) human assets; and iii) economic vulnerability.

A country can graduate from the LDC category by meeting two of the three criteria at two consecutive triennial meetings of the United Nations CDP. At the second meeting, the CDP can recommend the country's graduation and graduation will normally take place three years after.

For the first time, at the United Nation's 2018 triennial review, Lao PDR was found to be eligible for graduation from LDC status, as it had passed the thresholds for two of the three graduation criteria, namely for the criteria regarding gross national income per capita and the human assets index. The threshold for the third criterion, the economic vulnerability index, was not met, but Lao PDR managed to reduce this index to a level close to the required threshold.

Subsequently, at the United Nation's 2021 triennial review, the United Nations CDP recommended Lao PDR for graduation with an extended five-year preparatory period, setting graduation to 2026, assuming a positive and continued trajectory throughout the time period leading up to graduation.

Role of Businesses in Lao PDR: Businesses in Lao PDR using the current benefits of the EBA status to export to the EU should note that the country will eventually graduate from EBA status and that it is the responsibility of the Government of Lao PDR to ensure that the terms and conditions, attached to the granting and maintenance of GSP+ beneficiary status by the EU, are effectively implemented and complied with throughout its territory and by its operators. Laws,

regulations and enforcement schemes must be adopted and applied by the Government of Lao PDR to that effect.

Businesses in Lao PDR that export to the EU also have a vested interest in ensuring that Lao PDR complies with these requirements in order to ensure that it benefits from the GSP+ scheme. As a result, it is still in the best interests of Lao PDR exporters to take it upon

themselves to maintain compliance with the 27 conventions outlined in Annex VIII of the GSP Regulation.²⁴ This includes staying vigilant so as to ensure that their own businesses, as well as other Lao PDR businesses, provide equal rights to male and female workers, do not employ underage persons, do not partake in forced or compulsory labour, do not operate in unsafe conditions and do operate in ways that are friendly to the environment. Exporters from Lao PDR should consider implementing compliance mechanisms, including the employment of a compliance officer and/or the creation of a compliance department, to ensure these requirements are being met.

ii. Ongoing review of the EU's GSP scheme and possible reforms

The EU's current GSP Regulation came into force on 1 January 2014 and will, for the most part, expire on 31 December 2023.²⁵ In 2019, the EU launched the process to review and reform the GSP Regulation and a legislative proposal was published in 2021.

Notably, the EU's EBA scheme *does not* expire and will continue to apply beyond 31 December 2023. Therefore, Lao PDR should be able to continue to benefit from the same EBA preferences until graduation from LDC status and the subsequent three-year transition period.

It is, however, still important for Lao PDR to keep track of the reform process currently underway, as it can lead to a reformulation/revision of the Standard GSP and GSP+ schemes, which Lao PDR will be targeting and need to prepare for after LDC graduation.

While the specific elements of reform are not yet clear, previous assessments indicate that there could be changes to the product scope, possibly a harmonization of the Standard GSP and the GSP+, which would then both require the ratification and implementation of certain international conventions, as well as the extension of that list of international conventions, notably as concerns environmental agreements. Stakeholders around the world should closely monitor the process, as it could bring important changes with respect to market access to the EU.

iii. Impact of Brexit and Lao PDR's preferential access to the UK market

It is also important to note that the EU GSP scheme, as of 31 December 2020, no longer applies to the United Kingdom, which ceased to be an EU member state on 31 January 2020.

However, the UK Government notes that eligible developing countries "*will be able to get trade preferences through the UK Generalised Scheme of Preferences (GSP) from 1 January 2021*".²⁶ In this context, the UK Government notes that it would continue to provide trade preferences to the same countries as the EU's GSP and that there would continue to be three frameworks: 1) A least developed countries framework (LDCF); 2) A general framework; and 3) An enhanced framework. These frameworks will replicate the same market access as under the EU's GSP scheme. Accordingly, Lao PDR will be entitled to gain the same level of access to the UK market under the UK's LDC framework.

PART B: GENERAL PRINCIPLES – EXPORTING TO THE EU

This section presents principles generally applicable for Lao PDR traders seeking to export to the EU and gain from the EBA benefits. The section also provides an overview of other tools available for traders to better comply with the requirements for exporting to the EU and benefitting from the EBA.

Accordingly, this section is organized into three sections:

- | Summary of Lao PDR's key requirements for traders to engage in exports;
- | Key elements to comply with in order to benefit from the EBA; and
- | Other tools/resources available for traders to engage in exports to the EU.

Wherever relevant, references will also be made to aspects specific to Standard GSP and GSP+ schemes.

2.1 Summary of Lao PDR's key requirements for traders to engage in exports

Lao PDR traders seeking to engage in exports from Lao PDR have to adopt the steps demonstrated in Figure 3, and further elaborated on below.

Figure 3: Key steps to engage in exports from Lao PDR

i	Obtain the Enterprise Registration Certificate
ii	Obtain relevant export documentation: Export licence from DIMEX, export permits from relevant departments, and phytosanitary certification
iii	Ascertain export charges: Tariffs and taxes
iv	Facilitate customs clearance procedures for exports via ASYCUDA

i. Obtain the Enterprise Registration Certificate

All importers and exporters in Lao PDR must first register with Lao PDR's Ministry of Industry and Commerce's (MoIC) Department of Enterprise Registration and Management to obtain the Enterprise Registration Certificate.

ii. Obtain relevant export documentation: Export licence from DIMEX, export permits, and other relevant certification

Export licence: For certain types of products, it is necessary to obtain an export licence from the Department of Import and Export (DIMEX). To determine the criteria for licence requirements, Lao PDR uses three categories based on the product that is to be imported or exported:

- | Products that do not require a licence;
- | Products requiring a licence under the automatic route; and
- | Products requiring a licence under the non-automatic route.

Products under the automatic route are licensed for the purpose of collecting statistical information, whereas products under the non-automatic route require permission from DIMEX to be imported or exported.

The following goods are subject to *automatic licensing* for export purposes:

- | Logs, timber and wood products;
- | Rice;
- | Minerals and mineral products.

The following goods are subject to *non-automatic licensing* for export purposes:

- | Logs, timber, and wood products sourced from natural forests; and
- | Gold bars

Export permits: All products exported from Lao PDR require an export permit. For some products, export permits are issued at the border; for others, the export permits have to be requested in advance.

An export permit is issued by different ministries depending on the competence for a specific sector or product. For example:

- a) Agricultural sector: Export permits are issued by the Ministry of Agriculture and Forestry (Department of Agriculture and Department of Livestock and Fisheries if live animal);
- b) Processed food sector: Export permits are issued by the Ministry of Health (Department of Food and Drug);
- c) Garment sector: Export permits are issued by the Ministry of Industry and Commerce (DIMEX);
- d) Footwear sector: Export permits are issued by the Ministry of Industry and Commerce (DIMEX);
- e) Wood products: Export permits are issued by the Ministry of Agriculture and Forestry (Department of Forestry); and
- f) Pharmaceuticals or chemical products: Permit from the Food and Drug Department under the Ministry of Health.

Phytosanitary certification: For goods that are subject to sanitary and phytosanitary measures, exporters must comply with special regulations relating to these products. Permits might be necessary from the Ministry of Agriculture and Forestry, depending on the products being exported.

In the past, the export of vegetables from Lao PDR to the EU has been affected by the application of sanitary and phytosanitary measures (SPS), which significantly affected exports of Lao PDR's agricultural goods. The inaccurate issuance of a phytosanitary certificate (PC) that did not comply with international standards, especially the importing specifications and requirements of the EU, negatively impacted exporters from Lao PDR.

Therefore, Lao PDR's Ministry of Agriculture and Forestry has issued a notification on sanitary and phytosanitary measures for EU member states in order to ensure that the phytosanitary certificate for exports of Lao PDR agricultural products to the EU is issued accurately and in compliance with EU import measures.²⁷

A complete list of goods with details of further documentation and relevant procedures to be followed is available on the Lao PDR Trade Portal.²⁸

iii. Facilitate customs clearance procedures for exports via ASYCUDA

In addition to the export permit and the export licence, businesses exporting out of Lao PDR must provide the following documents before their goods can depart:

- | Bill of lading;
- | Commercial invoice;
- | Packing list;
- | Road transit document;
- | Export customs declaration;
- | Relevant export licences/permits;
- | Copy of the tax registration; and
- | Copy of the business licence.

According to the Lao PDR Trade Portal, Lao PDR has implemented the United Nations Conference on Trade and Development (UNCTAD) Automated System for Customs Data (ASYCUDA) at 11 major international border checkpoints. ASYCUDA is an integrated customs management system for international trade and transport operations in a modern automated environment.²⁹

Crossing over to Lao PDR at one of these major border checks allows importers and exporters to benefit from a digitized, single-window clearance system.³⁰

There are four steps to declare export duties and transit goods at the customs checkpoints:

- | Filling in the details of the customs declaration;
- | Review of the customs declaration and inspection by the customs authorities;
- | Payment of duties and other obligations; and
- | Checking the release of goods and move from the customs borders.

Refer to the Lao PDR Trade Portal for a detailed overview of the customs clearance process for exports.³¹

iv. Ascertain export charges: Tariffs and taxes

Lao PDR uses the World Customs Organization's eight-digit Harmonized System (HS) codes. Lao PDR's tariff classification is in line with the ASEAN Harmonized Tariff Nomenclature (AHTN). Goods exported

out of Lao PDR do not incur taxes. The only exception concerns natural resources or unfinished goods made from natural resources, which are subject to VAT of 10%. There could, however, be other charges to account for on the EU market – which will be explained in further detail in the next section (Section 2.2 iv).

2.2 Key elements for Lao PDR's exporters to the EU to benefit from EBA preferences

In order to export to the EU and benefit from the EBA preferences, traders from Lao PDR need to account for the following aspects:³²

- (i) Check eligibility of products and corresponding tariff rates.
- (ii) Check rules of origin criteria.
- (iii) Register with the EU's Registered Exporter system.
- (iv) Ascertain relevant charges, in addition to tariff duties.
- (v) Import documentation into the EU – the single administrative document.
- (vi) Potential for application of special safeguard measures.

These are elaborated on below

i. Product eligibility and corresponding tariff rate

Goods can be exported to the EU under different trade regimes depending on the product and the country of origin. The general trade regime is the most-favoured nation (MFN), which applies, in principle, to all trading partners, unless there is a preferential trade agreement in place or unless preferential treatment, such as the GSP for developing countries or the EU's EBA programme, applies. Some of the EU's MFN tariffs are already at 0%, which means the respective goods enter the EU duty free. For example, for coffee (not roasted, not decaffeinated, HS code 090111), the MFN tariff rate is 0%. Goods for which a 0% MFN rate applies enter the EU market duty free even in the absence of preferential trade agreements or arrangements, such as the EBA.

Further information can be acquired from the Lao Customs Department or DIMEX.

With respect to any procedural steps and documentary requirements, further information can be obtained from the Lao Customs Department or DIMEX, as well as the Lao PDR Trade Portal.

In the case of relying on the preferential treatment provided by the EU, as a first step, the trader must ascertain whether the relevant products to be exported are eligible for preferential treatment under the EU's preferential trading schemes. If eligible, the next step is for the trader to determine the applicable tariff rate.

Eligibility of products and corresponding tariff rates differ based on whether the trader is exporting under the EBA scheme, Standard GSP or GSP+, as demonstrated in Table 2.

In the case of Lao PDR, as an EBA beneficiary, traders can export all products (apart from arms, ammunition, and related products) at zero tariffs to the EU market. However, relevant procedures with respect to rules of origin, the REX system and other relevant charges must be complied with by the trader. These are elaborated on in the sections below.

ii. Rules of origin framework in the EU

The GSP Regulation provides that, in order to benefit from the tariff preferences, the products for which the tariff preferences are **claimed must originate in a beneficiary country**.³³ There are, however, two exceptions to this rule: (a) cumulation; and (b) general tolerances.

The provisions governing the specific rules of origin for GSP beneficiaries are contained in two separate EU regulations,³⁴ which need to be read together with the list of rules and exceptions for LDCs, where, in certain cases, less stringent rules are applied.³⁵ These rules are explained below.

Table 2: Product eligibility and tariff rates by EU GSP scheme

	EBA	Standard GSP	GSP+
Product eligibility	All goods, except for arms and ammunition.	<p>First: Check product's tariff classification according to the EU's CN.</p> <p>Second: Match the tariff classification to the list of products in Annex V.</p> <p>If on the list, the product is covered by the scheme.</p>	<p>First: Check product's tariff classification according to the EU's CN.</p> <p>Second: Match the tariff classification to the list of products in Annex IX.</p> <p>If on the list, the product is covered by the scheme.</p>
Tariff rate	All eligible products can be exported at zero tariff.	<p>For the eligible product:</p> <p>First: Check the conventional most-favoured nation rate applicable to the product as set out under the EU's integrated tariff (TARIC), which is then reduced on the basis of the GSP Regulation.³⁶</p> <p>Second: Check the composition of the relevant duty in the EU's Common Customs Tariff,³⁷ namely whether it is an ad valorem duty, a specific duty, or a combination of the two. When tariffs include ad valorem duties and specific duties, the specific duties shall not be reduced.</p>	All eligible products can be exported at zero tariff.

The GSP Regulation provides that, in order to benefit from the tariff preferences, the products for which the tariff preferences are **claimed must originate in a beneficiary country**.³⁸ There are, however, two exceptions to this rule: (a) cumulation; and (b) general tolerances.

The provisions governing the specific rules of origin for GSP beneficiaries are contained in two separate EU regulations,³⁹ which need to be read together with the list of rules and exceptions for LDCs, where, in certain cases, less stringent rules are applied.⁴⁰ These rules are explained below.

RULES OF ORIGIN

PRODUCTS TO ORIGINATE FROM THE BENEFICIARY COUNTRY

To benefit from the GSP schemes, products must be deemed to originate from the beneficiary country, which is the case when the products:

2. Have been wholly obtained in that country (a criterion that applies mainly to products occurring naturally and to goods made entirely of them, such as minerals and agricultural products).⁴¹

OR

3. Are sufficiently worked or processed in that country.⁴² Depending on their classification under the EU's CN, products are subject to specific rules regarding the working or processing operations that confer them originating status.⁴³

There are four different types of rules, notably:

- 1) The change of heading criterion (the rule of origin requires non-originating materials to undergo a change in tariff classification from any other heading);
- 2) The value criterion (when the value added to a good through the production in a country satisfies some value content, the good can be qualified as originating from that country);
- 3) The specific process criterion (goods are considered as originating if the goods undergo specific manufacturing or processing, such as a chemical reaction, distillation or purification, etc. in the territory of a country); and

Where working or processing is carried out on certain wholly obtained materials.

EXCEPTIONS TO THE RULES OF ORIGIN

As noted above, there are two exceptions to the rules of origin requirements, namely **cumulation** and **general tolerances**. These are explored in further detail below.

Cumulation

Cumulation can take place in the ways described in Table 3.

Table 3: Types of cumulation

	Principle	Applicability to Lao PDR
The two main types of cumulation are:		
i. Bilateral cumulation	Provided that certain requirements are met, materials originating in the EU (within the meaning of the EU's GSP rules of origin), and further worked or processed in a beneficiary country are considered to originate in the beneficiary country. ⁴⁴	If Lao PDR imports material originating in the EU (meeting the EU's GSP rules of origin), and these materials are further worked or processed in Lao PDR, the product can be taken as originating in Lao PDR and will be entitled to the EBA preferences.

	Principle	Applicability to Lao PDR
<p>ii. Regional cumulation</p>	<p>The EU's GSP recognizes four regional groups.⁴⁵</p> <p>Accordingly, materials originating in one country of the group, which are further worked or processed in another beneficiary country of the same group, are considered to originate in the latter country.⁴⁶</p>	<p>Lao PDR is assigned to Group 1 from the four regional groups, which comprises Brunei Darussalam, Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Thailand and Viet Nam.⁴⁷ If Lao PDR imports material from any of the above-mentioned countries (subject to the EU's GSP rules of origin), and this product is further worked or processed in Lao PDR, the product can be taken as originating in Lao PDR and will be entitled to benefit from the EBA preferences.</p>
<p>In addition, there are also two other types of cumulation that could apply:</p>		
<p>iii. Extended cumulation⁴⁸</p>	<p>This is applied between the beneficiary country and a country with which EU has a free trade agreement (FTA).</p> <p>Although, extended cumulation does not apply to products classified under Chapters 1–24 of the CN, which concerns agricultural and food products.⁴⁹</p>	<p>If Lao PDR imports materials from a country that the EU has a free trade agreement with, such as Viet Nam,⁵⁰ and further works or processes these materials in Lao PDR, the product can be taken as originating in Lao PDR and can be entitled to benefit from EBA preferences (provided that the products do not fall within Chapters 1–24 of the CN).</p>
<p>iv. Cross-regional cumulation⁵¹</p>	<p>Cross-regional cumulation allows for GSP beneficiary countries from neighbouring regions (i.e. groups) to apply cumulation as though they were in the same region.</p> <p>For cross-regional cumulation to apply, the working and processing carried out cannot go beyond minimal operations.</p>	<p>If Lao PDR imports materials from a GSP beneficiary from another region (e.g. Bangladesh or Sri Lanka) and further works or processes these materials in Lao PDR, the product can be taken as originating in Lao PDR and can be entitled to benefit from EBA preferences.</p>

General tolerances

Tolerance refers to the relaxation of the rules of origin under certain conditions. More specifically, even if a product does not meet its product-specific rules, it can still be considered as originating if only a limited amount of non-originating materials are used in the production of that product.

According to the general “tolerance rule”, under certain circumstances, **non-originating materials can be used in the manufacture of a given product, even if the rule on the sufficient working or processing list is not fulfilled.**⁵²

The application of the tolerance rule is subject to the following conditions:

Limits on value of non-originating products: The total value of the non-originating products cannot exceed:

- (a) 15% of the weight of the product for products falling within Chapters 2 and 4–24, other than processed fishery products pertaining to Chapter 16; and
- (b) 15% of the ex works price of the product for other products, except for products falling within Chapters 50–63 of the CN.⁵³

Special rules are applicable for textile products – set out in Notes 6 and 7 of Part I of Annex 22-03.⁵⁴

Application of tolerance rule is to sum of materials used in working and processing of product: The tolerance rule does not apply to products wholly obtained in a beneficiary country (since wholly obtained products already meet the rules of origin requirements). However, without prejudice to the provisions⁵⁵ concerning insufficient working or processing and the unit of qualification, the tolerance nevertheless applies to the sum of all the materials that are used in the working and processing of a product and for which the rule laid down in the list in Annex 22-03 for that product requires that such materials be wholly obtained. In simple terms, if a product-specific rule requires that materials used in the production of the final product must be wholly obtained, tolerance can apply to those materials, which means that a small amount of those materials might not be wholly obtained.

OTHER INSTANCES OF DEROGATIONS FROM THE RULES OF ORIGIN

Derogations from the rules of origin can also be granted to beneficiary countries upon the commission's initiative or in response to a request from the beneficiary country. This can be possible in case of:

- | Internal or external factors that temporarily deprive the country of the ability to comply with the applicable rules of origin where it could do so previously; or
- | The country requires time to prepare itself to comply with the normal rules of origin.⁵⁶

For instance, Cambodia was dependent on bicycle parts from Malaysia (mainly gears) and was able to meet rules of origin requirements under the 'regional cumulation' provision, until 2014 – when Malaysia graduated from beneficiary status. The Government of Cambodia requested for two derogations to the EU Commission to continue to consider the ASEAN inputs from Malaysia to be eligible for cumulation during a transition period. The requests were finally granted with a quota on the amount of bicycles that can make use of cumulation and a time limitation of three years in the first derogation, and two in the second derogation.

It is important to note that the products declared for release in the EU must be the same as those exported from the beneficiary country where they are considered to originate. Goods must undergo no alteration or transformation other than what is necessary to preserve the goods in good condition. Compliance with this requirement is considered satisfied unless the customs authorities have reason to believe the contrary. In such cases, the customs authorities might request the declarant to provide evidence of compliance, which can be given by any means, including contractual transport documents such as bills of lading or factual or concrete evidence based on marking or numbering of packages or any evidence related to the goods themselves.

For further information on rules of origin, refer to:

- | *The European Union's rules of origin for the Generalised Scheme of Preferences. A Guide for users on GSP rules of origin – which includes an unofficial consolidated version of the legal text concerning GSP rules of origin;*⁵⁷
- | *The EU's Access2Markets online portal provides information on rules of origin and provides a self-assessment tool called ROSA (Rules of Origin Self-Assessment), which provides assistance to determine the applicable rules of origin;*⁵⁸ and
- | *Rules of Origin Facilitator – which is a more general resource on the rules of origin.*⁵⁹

More details on the rules of origin under the GSP scheme are also provided in the sector-specific sections (Part C of this guide).

iii. EU's Registered Exporter system (REX)

The EU's Registered Exporter system (REX) came into effect from 1 January 2017. The REX system is based on the principle of **self-certification** by economic operators that will issue themselves the statements on origin, abolishing the previous origin certificate forms.⁶⁰

To be entitled to issue a statement on origin, an economic operator must be registered in accordance with Article 86 of Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015⁶¹ and have a valid registration in the REX system. More specifically, the economic operator must be registered in a database by the relevant competent authorities – and through this, becomes a registered exporter.⁶²

For consignments of originating goods having a value of less than €6,000, the statement on origin can be issued by any exporter, with no obligation to be registered. The value of the originating products in a consignment is the value of all originating products within one consignment covered by a statement on origin made out in the country of exportation.⁶³

Accordingly, under this framework:

- | Exporters from Lao PDR (as well as other beneficiary countries), registered or not, shall make out statements on origin for the originating products being consigned, where the total value thereof does not exceed €6,000;⁶⁴
- | Exporters, once registered, shall make out statements on origin for the originating products being consigned, where the total value thereof exceeds €6,000, as of the date from which their registration is valid.⁶⁵

Lao PDR's implementation of the REX system

Lao PDR has been applying the REX system since 1 January 2017 and the transition period, during which both self-certification and certificates of origin were used, ended on 31 December 2017.⁶⁶ Below are the key steps that Lao PDR's exporters took with respect to the REX system.

▪ Applying to become a registered exporter:

To be registered, exporters must submit an *application to the competent authorities* of the beneficiary

country,⁶⁷ using the relevant form.⁶⁸ In Lao PDR, DIMEX, under the MoIC, is the competent authority for the self-certification of origin under the REX.⁶⁹

A registered exporter number is assigned to the exporter by DIMEX with a view to exporting under the GSP schemes. The registration is valid as of the date on which the competent authorities of a beneficiary country (which for Lao PDR is DIMEX) or the customs authorities of an EU member state receive a complete application for registration.

▪ Records to be maintained by exporters:

- Exporters, registered or not, must comply with the following obligations:
- (i) Maintain appropriate commercial accounting records for production and supply of goods qualifying for preferential treatment;
 - (ii) Keep available all evidence relating to the material used in the manufacture;
 - (iii) Keep all customs documentation relating to the material used in the manufacture; and
 - (iv) Keep for at least three years from the end of the year in which the statement on origin was made out, or more if required by national law, records of:
 - a) The statements on origin they made out; and
 - b) Their originating and non-originating materials, production and stock accounts.⁷⁰

The records referred to in point (d) can be electronic, but are to allow the materials used in the manufacture of the exported products to be traced and their originating status to be confirmed. The obligations of exporters shall also apply to suppliers that provide exporters with suppliers' declarations certifying the originating status of the goods they supply.

It is important that exporters fully understand the conditions and implications of exporting under the EU's GSP regime. *Inter alia*, the customs authorities of the relevant EU member states might require that further checks be carried out on the consignments. If these post-exportation verifications show non-compliance of the exported goods with the applicable rules of origin, the importer will be required to pay the whole (non-preferential) duty, which can lead to, *inter alia*, claims of compensation vis-à-vis the exporter in the beneficiary country.

▪ **Maintaining record of registered exporters:**

Lao PDR's competent authorities (DIMEX) are required to always establish and keep up to date an *electronic record of registered exporters* located in that country and shall immediately update the record when an exporter is withdrawn from the register.⁷¹

The record is to contain the following information:

- (a) Name and full address of the place where the registered exporter is established/resides, including the identifier of the country or territory (ISO alpha 2 country code);
- (b) Number of the registered exporter;
- (c) Products intended to be exported under the scheme (indicative list of Harmonized System chapters or headings as considered appropriate by the applicant);
- (d) Dates as from and until when the exporter is/was registered; and
- (e) The reason for withdrawal (i.e. the registered exporter's request or withdrawal by competent authorities). This data shall only be available to competent authorities.

The competent authorities of the beneficiary countries are to **notify the European Commission** of the **national numbering system used for designating registered exporters**. The number shall begin with the ISO alpha 2 country code.

iv. Other charges, in addition to tariff duties

Apart from the relevant tariff duties (which are not currently applicable to Lao PDR as an EBA beneficiary), businesses exporting to the EU should be aware of other expenses that they might need to incur to place their products on the EU market. In particular, traders are likely to find that they need to pay value-added tax (VAT) as well as *excise duties*, depending on the fiscal rules applicable in the respective EU member state.

Value-added taxes (VAT)

A value-added tax is a general consumption tax assessed on the value added to goods and services. It applies more or less to all goods and services that are bought and sold for use or consumption.

The rationale for levying VAT on imported products is that such taxes keep the system fair for EU producers, allowing them to compete on equal terms on the EU

market with third-country producers. Taxable exporters registered for VAT are allowed to deduct the payment on their VAT return.

Excise duties

Excise duties are indirect taxes on the consumption or use of a product. In contrast to VAT, excise duties are specific taxes and thus expressed as a monetary amount per quantity of the product. Typically, the products that are usually subject to an excise duty include alcoholic beverages, tobacco products and energy products (such as fuel).

v. Importing goods to the EU – Single administrative document

All traders **importing** goods into the EU must use the single administrative document (SAD) to clear customs in the relevant EU member state.⁷²

The SAD is a standardized import declaration form used by all EU member states. Traders can submit the SAD on approved computer systems linked to the relevant customs authority or by providing it directly to the relevant customs office.

Generally, three copies must be used. One copy is kept by the relevant customs authorities; the second copy is used for statistical purposes by the country of destination, and the third copy is returned to the consignee after being stamped by the relevant customs authority.

The SAD allows traders to declare the following information at once:

- | The identities and other relevant information concerning the importer, exporter, representative and other relevant parties;
- | Treatment that has been approved by the relevant customs authorities (e.g. release for free circulation, release for consumption, temporary importation, or transit, etc.);
- | Information on the goods being traded, such as the CN code, weight, units, location and packaging;
- | Information on the means of transport used by the trader;
- | Data regarding the country of origin, country of export and destination;
- | Commercial and financial information (e.g. incoterms, invoice value, invoice currency, exchange rate and insurance, etc.);

- | A list of SAD-related documents (e.g. import licences, inspection certificates, document of origin, transport document and commercial invoice, etc.); and
- | The declaration and method of payment of import taxes (e.g. tariff duties, VAT and excises, etc.).

vi. Application of special safeguard measures

As a general matter, exporters from Lao PDR should be aware of the safeguard and surveillance provisions in Chapter VI of the EU's GSP Regulation. Importantly, **these safeguards do not apply to EBA beneficiary countries.** Therefore, currently, products from Lao PDR do not risk being subject to safeguards. **However, once Lao PDR has graduated from EBA beneficiary status and in case it was to benefit from the EU's Standard GSP or GSP+ schemes, the rules on safeguards would apply.**

Accordingly, in the case of Standard GSP or GSP+ beneficiaries, the EU can reintroduce common customs tariff duties on a product originating from any beneficiary country in the following cases:

If the product is "*imported in volumes and/or at prices which cause, or threaten to cause, serious difficulties to*

EU producers of like or directly competing products";⁷³ or

- | The European Commission, on its own initiative, can, on 1 January of each year, remove tariff preferences on textile products and on products falling under CN codes 2207.10.00 (Undenatured ethyl alcohol of an alcoholic strength by volume of 80% vol. or higher), 2207.20.00 (Ethyl alcohol and other spirits, denatured, of any strength), 2909.19.10 (Organic chemicals: Tert-butyl ethyl ether (ethyl-tertio-butyl-ether, ETBE)), 3814.00.90, 3820.00.00 and 3824.90.97 (Miscellaneous chemical products), if certain import conditions are present.⁷⁴ The conditions are:
 - | An increase in quantity (by volume) of any relevant textile, agriculture or fisheries product from a beneficiary country of at least 13.5%, as compared to the previous calendar year; or
 - | For textile products (i.e. products found in Chapters 50–63 of the CN code), when the share of a textile product from a beneficiary country exceeds 47.2% of the value of the relevant textile product imported from all GSP and GSP+ beneficiary countries during any 12-month period⁷⁵

It should, however, be noted that the safeguard provisions only apply if the relevant product from the beneficiary country exceeds 6% of the total EU imports of that product.

Box 2: Lao PDR's legal provisions on self-certification of origin

Article 6 on the Issuance of Self-Certification of Origin for Authorized Exporters provides that:

"Economic operators who wish to become registered exporters under the EU self-certification pilot project must follow the following procedures:

1. Undergo the certified exporter selection process, which is stipulated in the Instruction on Preferential Rules of Origin, No. 2225/MOIC.DIMEX, dated 5 December 2014;
2. Complete the application form specified by the competent authority of the Self-Certification of Origin under the EU pilot project with the attachment of supporting documents including: certificate of origin and the letter to inform the annual export capacity, then submit all documents to the competent authority of Self-Certification of Origin under the EU pilot project;
3. Upon the submission of the form with correct and complete supporting documents, the competent authority of Self-Certification of Origin must consider issuing the Certificate of Certified Exporter within 3 working days."

Article 7 on the Registration for Self-Certification of Origin in the REX system provides that:

"Upon the completion of the Certificate of Certified Exporter, exporters must submit the pre-application to the competent authority of Self-Certification of Origin to register in the REX system. After the registration in the REX system is completed, exporters are enable to conduct the Self-Certification of Origin."

2.3 Other tools/resources available for Lao PDR exporters to the EU

Lao PDR traders are also able to make use of various resources made available by the EU and the Government of Lao PDR in order to enable them to engage in exports.

i. The EU's Access2Markets online portal

The EU's Access2Markets online portal has the objective to better explain trade agreements and preferential trading schemes and help companies to understand whether their products are eligible for reduced tariffs.⁷⁶

The portal allows users to look up the following details for imported and exported goods:

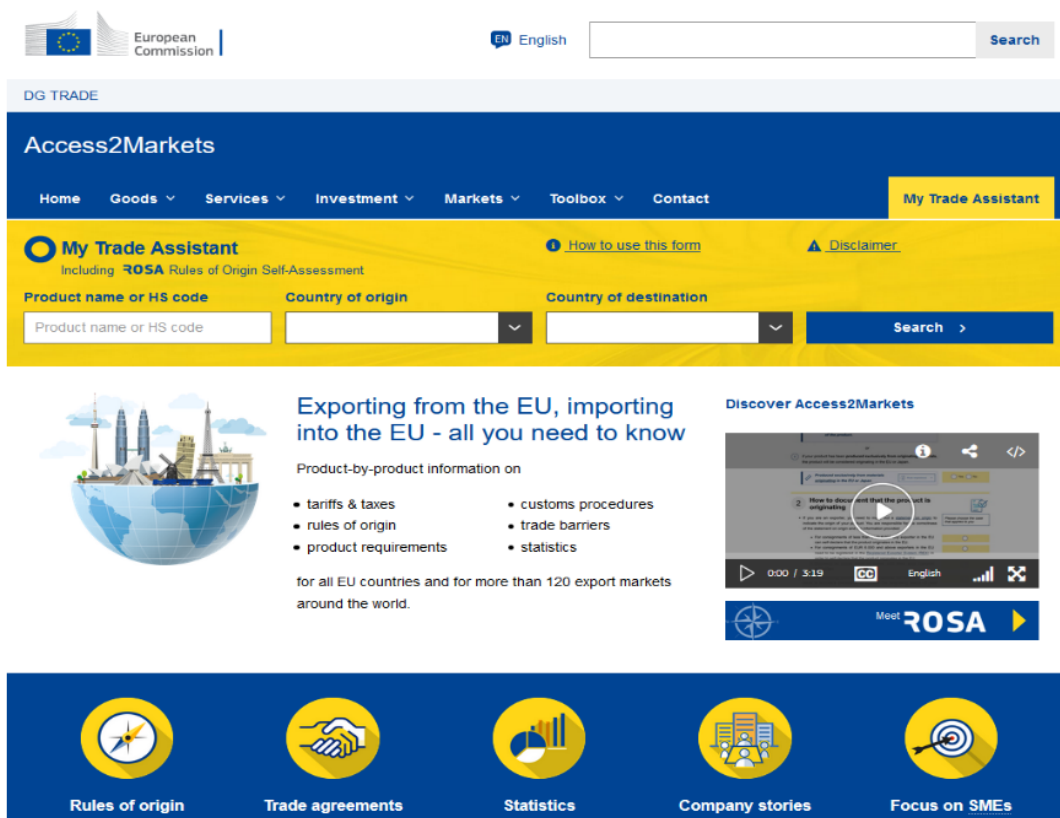
- a) Tariffs;

- b) Taxes;
- c) Rules of origin;
- d) Product requirements;
- e) Customs procedures;
- f) Trade barriers; and
- g) Trade flow statistics.

The new portal also includes:

- | An overview of EU laws on products and services;
- | Contact details for customs and other public authorities in EU member states and in the EU's trading partners; and
- | Information on rules of origin and a self-assessment tool called ROSA (Rules of Origin Self-Assessment), which provides assistance to determine the applicable rules of origin.

Figure 4: Image of the EU's Access2Markets platform



ii. The EU's GSP Hub

The GSP Hub project, launched in September 2020, seeks to strengthen stakeholder engagement, and focus on more sustainable trade. More specifically, the project seeks to increase use of GSP by bringing new EU investment, encouraging European companies to import from beneficiary countries, and promoting international sustainability standards. The GSP Hub project features a GSP Hub website (<http://gsp-hub.eu/>), which provides a monitoring database, ded-

icated country pages for all GSP beneficiary countries, a dedicated business engagement forum and general information of the EU's GSP. The website also provides a webpage with the conventions entered into by the GSP countries. This is mainly of relevance for the GSP+, but will be provided for all countries. The objective is to provide more transparency and to improve monitoring. The GSP Hub provides a dedicated webpage for Lao PDR, available at <https://gsphub.eu/country-info/Lao%20People's%20Democratic%20Republic>.

Figure 5: Image of ITC Standards Map

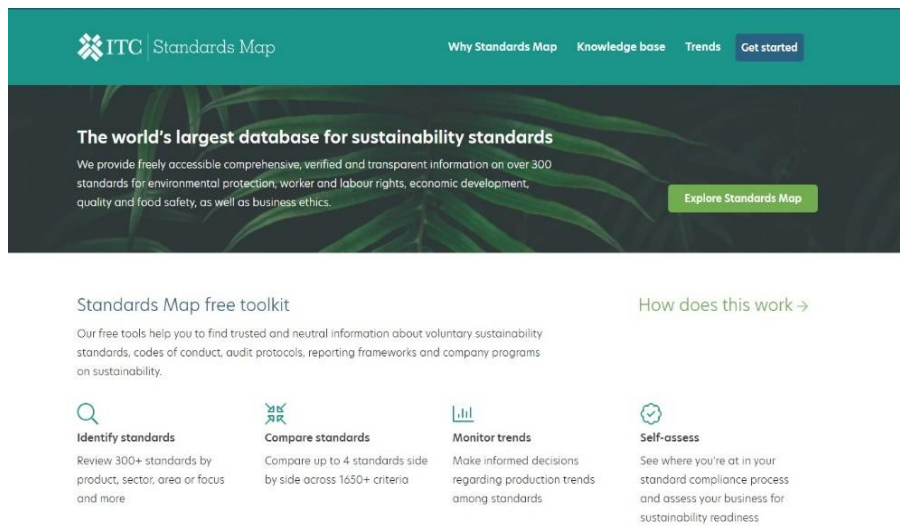


Figure 6: Image of ITC's Rules of Origin Facilitator platform



iii. The ITC Rules of Origin Facilitator

ITC's Rules of Origin Facilitator provides user-friendly access to ITC's database of rules of origin and origin provisions in trade agreements. The database of rules of origin currently contains data for more than 350 trade agreements applied by more than 190 countries.⁷⁷

The Rules of Origin Facilitator aims to help small and medium-sized enterprises (SMEs) increase trade by taking advantage of global trade opportunities in the

form of low duty rates under trade agreements. The tool can also be used by policymakers, trade negotiators, economists and any other users.

iv. The Lao PDR Trade Portal

The Lao PDR Trade Portal is a platform from which traders are able to obtain relevant information on importing into and exporting from Lao PDR, including instructions on import/export procedures, regulations for specific products, relevant laws and other useful information.

Figure 7: Image of the Lao PDR Trade Portal



The Lao PDR Trade Portal is available at <https://www.laotradeportal.gov.la>.

PART C: SECTOR-SPECIFIC RULES EXPORTING UNDER EU EBA

This part of the guide provides sector-specific information for five sectors of relevance agreed with the Government of Lao PDR in view of Lao PDR's exports and export potential to the EU.

The five product sectors covered in this guide are:

1. Garments/ textiles;
2. Footwear;
3. Raw agricultural products;
4. Processed food products;
5. Processed wood products.

These sector-specific sections build on the general overview in Part B, and provide detailed guidelines on the EU's regulatory environment and export requirements governing the selected sectors. Compliance with these regulations is critical for traders intending to place their products on the EU market and benefit from preferential market access under the EBA scheme.

Material reviewed includes studies/information published by the EU and the Lao National Chamber of Commerce and Industry (LNCCI), as well as an ITC analysis based on ITC's Export Potential Map.⁷⁸

Each section is organized as follows:

Key steps	Summary of the main steps to be followed by Lao PDR exporters to the EU for the relevant products.
Context	Setting out Lao PDR's current exports and potential for the relevant products, and other general information in this regard.
Technical requirements	Covering the: <ul style="list-style-type: none">- Relevant tariff/duties applicable.- Specifics of rules of origin requirements for products under the sector.- Other technical export/import rules in relation to permits/licences, documentation and checks at the borders.
Key regulatory requirements	Providing details on matters relating to sanitary and phytosanitary measures, chemical restrictions and health checks, etc.
Labelling requirements	Setting out requirements for labelling of products.
Further information/ key contacts	Providing contact details for key agencies in the EU that can be contacted for the relevant sectors.

In addition, for the raw agricultural and processed food products, a section is also provided with details on organic products.

3.1 GARMENTS AND TEXTILE PRODUCTS

i. Main steps for exporting garments and textiles



Comply with the steps required in Lao PDR

- | Register the enterprise in accordance with specified procedures.
- | Prepare export documents.
- | Request and obtain an export permit.
- | Fill out the ASYCUDA forms for customs clearance.
- | Check legal notifications pertaining to specific aspects relating to the export (e.g. sanitary and phytosanitary measures), and relating to specific products.



Comply with the importing requirements of the EU

- | Check and ensure compliance with the applicable rules of origin.
- | Ensure registration with the EU's Registered Exporter (REX) system.
- | Request and obtain a phytosanitary certificate for plant-based products.



Comply with any product-specific rules that apply to products to be placed on the EU market:

- | Check the relevant labelling rules.
- | Check the relevant textile fibre names.
- | Check the environmental labelling options.
- | Check the restrictions on the use of certain chemical substances in textile products.
- | Check the special restrictions relating to the type of animal from which the textile product is manufactured.

ii. Context

In 2019, Lao PDR exported items under the category of "Textiles and textile articles" at the value of €174 million to the EU, representing 60.8% of its total exports to the EU.⁷⁹ Textiles and textile products is the top export sector from Lao PDR to the EU.

The value of exports of textiles and textile articles from Lao PDR to the EU continuously increased from €135 million in 2016 to €174 million in 2019. Table 4 shows a breakdown of Lao PDR's exports in this sector, and the key EU member states importing Lao PDR's products.

Table 4: Lao PDR exports to the world and to certain EU member states (2019)⁸⁰

HS chapter	Sector	Lao PDR exports to all destinations (in USD)	Exports to EU member states (in USD)	
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted	63,189,000	Germany	22,010,000
			Italy	11,902,000
			France	3,108,000
			Portugal	1,009,000
			Netherlands	907,000
			Sweden	692,000
			Denmark	559,000
			Belgium	275,000
			Austria	118,000
			Spain	29,000
Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted	144,617,000	Germany	51,783,000
			Sweden	20,938,000
			Denmark	13,560,000
			Portugal	11,067,000
			UK	10,342,000
			Netherlands	4,753,000
			France	1,266,000
			Poland	814,000
			Spain	779,000

The key countries exporting the same set of products to the EU include China, Bangladesh and Turkey (refer to Table 5).

Table 5: Key countries of origin of exports and Lao PDR's exports to the EU in 2019⁸¹

HS chapter	Sector	Country	Import value to the EU (in EUR)
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted	China	12,684,179,307
		Bangladesh	10,313,658,037
		Turkey	5,850,881,187
		Cambodia	2,743,272,867
		Lao PDR	46,210,986
Chapter 62	Articles of apparel and clothing accessories, not knitted or crocheted	China	14,157,869,930
		Bangladesh	7,351,784,398
		Turkey	4,331,213,093
		Lao PDR	140,114,114

iii. Technical rules applicable to garments and textile products

a) Tariffs for textile and garments exports under the EBA

Under the EBA scheme, all goods, including textile products, enter the EU duty free.

b) Rules of origin requirements for textiles and garments from Lao PDR

As explained above (refer Section 2.2 (ii)), the rules of origin under the GSP Regulation note that, to benefit from the tariff preferences, the products for which the tariff preferences are **claimed must originate in a beneficiary country**.⁸² The product is deemed to originate from the beneficiary country when the products have been wholly obtained in that country or are sufficiently worked or processed in that country.

For textile products and garments, the rules of origin are laid out in Part II of Annex 22-03 of Commission Delegated Regulation (EU) 2015/2446.⁸³

Annex 22-03 is organized into three columns as demonstrated in Figure 8, which provides an extract of the table setting out the rules of origin for Chapter 50, "Silk".

Figure 8: Extract from Annex 22-03 setting out rules of origin for Chapter 50, Silk

LIST OF PRODUCTS AND WORKING OR PROCESSING OPERATIONS WHICH CONFER ORIGINATING STATUS

Harmonised System heading	Description of product	Qualifying operation (Working or processing, carried out on non-originating materials, which confers originating status)	
ex Chapter 50	Silk; except for:	Manufacture from materials of any heading, except that of the product	
ex 5003	Silk waste (including cocoons unsuitable for reeling, yarn waste and garnetted stock), carded or combed	Carding or combing of silk waste	
5004 to ex 5006	Silk yarn and yarn spun from silk waste	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning or twisting (7)	
5007	Woven fabrics of silk or of silk waste:	(a) LDCs Weaving (7) or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerising, heat setting, raising, calendaring, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5 % of the ex-works price of the product	(b) Other beneficiary countries Spinning of natural and/or man-made staple fibres or extrusion of man-made filament yarn or twisting, in each case accompanied by weaving or Weaving accompanied by dyeing or Yarn dyeing accompanied by weaving or

Column 1: Chapter no.	Column 2: Product description as in the CN	Column 3: Relevant qualifying operations	
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To be deemed as originating in Lao PDR, the non-originating materials used in the working and processing of the final product cannot be of the same CN code as the final product.

To illustrate further:

For Headings ex 5003:

“Silk waste (including cocoon unsuitable for reeling, yarn waste and garneted stock” carded or combed.”

Referred to in Column 2

To be deemed as originating in Lao PDR

The non-originating materials used in the working and processing of the final product must undertake operations of “carding or combing of silk waste”.

As set out in Column 3

For Headings 5004 to ex 5006:

“Silk yarn and yarn spun from silk waste.”

Referred to in Column 2

To be deemed as originating in Lao PDR

Producers in Lao PDR using material not originating in Lao PDR must at least provide additional working and processing to said material of “spinning of natural fibres or extrusion of man-made fibres accompanied by spinning or twisting”. (Footnote 9)

As set out in Column 3

Similarly, for Heading 5007, the rules of origin should be interpreted in the same way as described above. It should be noted, however, that Column 3 is split for this particular product, with separate rules for LDCs (i.e. those that benefit from EBA status) in Column 3(a), and other beneficiary countries (i.e. Standard GSP and GSP+ beneficiaries) in Column 3(b). Accordingly:

“Woven fabrics of silk or of silk waste.”

Referred to in Column 2

To be deemed as originating in Lao PDR

Producers in Lao PDR using material not originating in Lao PDR must at least undertake weaving or printing accompanied by at least two preparatory or finishing operations where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product.

Accordingly, producers in Lao PDR will need to review the chapters covering textile products and garments in Annex 22-03 in the above-mentioned regulation and identify the type of working and processing that should be undertaken for the final product to be deemed as originating from Lao PDR.

Table 6 summarizes these requirements for Chapters 50, 52 and 61, which cover textile products and garments (as set out in Annex 22-03 of the Commission Delegated Regulation (EU) 2015/2446).⁸⁴

Table 6: Rules of origin requirements for Chapters 50, 52 and 61 (Textile products and garments)

Chapter no.	Description of product	Qualifying operation (working or processing, carried out on non-originating materials, which confers originating status)	
Ex Chapter 50	Silk; except for	Manufacturing from materials of any heading, except that of the product	
Ex 5003	Silk waste (including cocoons unsuitable for reeling, yarn waste and garneted stock), carded or combed	Carding or combing of silk waste	
5004 to ex 5006	Silk yarn and yarn spun from silk waste	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning or twisting ⁽⁷⁾	
5007	Woven fabrics of silk or of silk waste	<p>(a) LDCs Weaving⁽⁷⁾ <i>or</i> Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerizing, heat setting, raising calendaring, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product</p>	<p>(b) Other beneficiary countries Spinning of natural and/or man-made staple fibres or extrusion of man-made filament yarn or twisting, in each case accompanied by weaving <i>or</i> Weaving accompanied by dyeing <i>or</i> Yarn dyeing accompanied by weaving <i>or</i> Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerizing, heat setting, raising calendaring, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product.</p>
Ex Chapter 52	Cotton; except for	Manufacture from materials of any heading except that of the product	
5204 to 5207	Yarn and thread of cotton	Spinning of natural fibres or extrusion of man-made fibres accompanied by spinning ⁽⁷⁾	

Chapter no.	Description of product	Qualifying operation (working or processing, carried out on non-originating materials, which confers originating status)	
5208 to 5212	Woven fabrics of cotton	<p>(a) LDCs Weaving⁽⁷⁾ or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerizing, heat setting, raising calendaring, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product</p>	<p>(b) Other beneficiary countries Spinning of natural and/or man-made staple fibres or extrusion of man-made filament yarn or twisting, in each case accompanied by weaving or Weaving accompanied by dyeing or Yarn dyeing accompanied by weaving or Printing accompanied by at least two preparatory or finishing operations (such as scouring, bleaching, mercerizing, heat setting, raising calendaring, shrink resistance processing, permanent finishing, decatizing, impregnating, mending and burling) where the value of the unprinted fabric used does not exceed 47.5% of the ex works price of the product</p>
Chapter 61	Articles of apparel and clothing accessories, knitted or crocheted		
	Obtained by sewing together or otherwise assembling two or more pieces of knitted or crocheted fabric that have been either cut to form or obtained directly to form	<p>(a) LDCs Manufacture from fabric</p>	<p>(b) Other beneficiary countries Knitting and making up (including cutting) ⁽⁷⁾ ⁽⁹⁾</p>
	Other	<p>Spinning of natural and/or man-made staple fibres or extrusion of man-made filament yarn, in each case accompanied by knitting (knitted to shape products) or Dyeing of yarn of natural fibres accompanied by knitting (knitted to shape products) ⁽⁷⁾</p>	

Key points to note:

- | In certain sub-chapters, the term “or” is used – which signifies an option by the exporter to use either rule.
- | As explained above, some of the columns setting out the minimum qualifying operations (i.e. Column 3) are split into two sub-columns – indicating the rules governing LDCs, applicable to Lao PDR, and rules for other beneficiary countries.

The exceptions to rules of origin – tolerances and cumulation (as discussed in Section 2.2(ii) above) should be noted by Lao producers – although these are subject to certain rules.

Tolerance levels for textile products and garments

As explained in Section 2.2(ii) above, the general “tolerance rule” indicates that, under certain circumstances, **non-originating materials can be used in the manufacture of a given product, even if the rule on the sufficient working or processing list is not fulfilled.**⁸⁵ Special rules are applicable for textile products and garments. The reference to Footnotes 7 and 9 in the columns above refer to Introductory Notes 6 and 7, covered in Tables 7 and 8, which set out the rule on tolerances applicable for textile products and garments.

More specifically, the text provided in the relevant tables above, should be read together with the qualifications outlined in the Tables 7 and 8 by exporters of textile products from Lao PDR. Exporters must, when producing textile products out of imported fabric, take into account the tolerances detailed below. Producers from Lao PDR can use imported material for their textile products, but in this case they must fulfil the qualifying operations and remain within the relevant tolerances in order to obtain a product that will be considered as originating in Lao PDR.

Table 7: Further explanation on tolerances – set out in Introductory Note 6 of Regulation (EU) 2015/2446

Note 6: Tolerances applicable to products made of a mixture of textile materials

6.1 Where, for a given product in the list, reference is made to this note, the conditions set out in Column 3 shall not be applied to any basic textile materials used in the manufacture of this product and which, taken together, represent 10% or less of the total weight of all the basic textile materials used. (See also Notes 6.3 and 6.4)

6.2 However, the tolerance mentioned in Note 6.1 can be applied only to mixed products that have been made from two or more basic textile materials

Basic textile materials that can be used:

- Silk;
- Wool;
- Coarse animal hair;
- Fine animal hair;
- Horsehair;
- Cotton;
- Paper-making materials and paper;
- Flax;
- True hemp;
- Jute and other textile bast fibres;
- Sisal and other textile fibres of the genus Agave;
- Coconut, abaca, ramie and other vegetable textile fibres;
- Synthetic man-made filaments;
- Artificial man-made filaments;
- Current-conducting filaments;
- Synthetic man-made staple fibres of polypropylene;
- Synthetic man-made staple fibres of polyester;
- Synthetic man-made staple fibres of polyamide;
- Synthetic man-made staple fibres of polyacrylonitrile;

Note 6: Tolerances applicable to products made of a mixture of textile materials

- Synthetic man-made staple fibres of polyimide;
- Synthetic man-made staple fibres of polytetrafluoroethylene;
- Synthetic man-made staple fibres of poly(phenylene sulphide);
- Synthetic man-made staple fibres of poly(vinyl chloride);
- Other synthetic man-made staple fibres;
- Artificial man-made staple fibres of viscose;
- Other artificial man-made staple fibres;
- Yarn made of polyurethane segmented with flexible segments of polyether, whether or not gimped;
- Yarn made of polyurethane segmented with flexible segments of polyester, whether or not gimped;
- Products of heading 5605 (metallized yarn) incorporating strip consisting of a core of aluminium foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of a transparent or coloured adhesive between two layers of plastic film;
- other products of Heading 5605;
- Glass fibres;
- Metal fibres.

6.3 In the case of products incorporating "yarn made of polyurethane segmented with flexible segments of polyether, whether or not gimped", the tolerance is 20% in respect of this yarn.

6.4 In the case of products incorporating "strip consisting of a core of aluminium foil or of a core of plastic film whether or not coated with aluminium powder, of a width not exceeding 5 mm, sandwiched by means of a transparent or coloured adhesive between two layers of plastic film", the tolerance is 30% in respect of this strip.

To illustrate:

Example 1	Example 2
<p>A yarn, of Heading 5205, made from cotton fibres of Heading 5203 and synthetic staple fibres of Heading 5506, is a mixed yarn.</p> <p>Therefore, non-originating synthetic staple fibres that do not satisfy the origin rules can be used, provided that their total weight does not exceed 10% of the weight of the yarn.</p>	<p>A woollen fabric, of Heading 5112, made from woollen yarn of Heading 5107 and synthetic yarn of staple fibres of Heading 5509, is a mixed fabric.</p> <p>Therefore, synthetic yarn that does not satisfy the origin rules, or woollen yarn that does not satisfy the origin rules, or a combination of the two, can be used, provided that their total weight does not exceed 10% of the weight of the fabric.</p>
Example 3	Example 4
<p>Tufted textile fabric, of Heading 5802, made from cotton yarn of Heading 5205 and cotton fabric of Heading 5210, is only a mixed product if the cotton fabric is itself a mixed fabric made from yarns classified in two separate headings, or if the cotton yarns used are themselves mixtures.</p>	<p>If the tufted textile fabric concerned had been made from cotton yarn of Heading 5205 and synthetic fabric of Heading 5407, the yarns used are two separate basic textile materials and the tufted textile fabric is, accordingly, a mixed product.</p>

Table 8: Further explanation on tolerances – set out in Introductory Note 7 of Regulation (EU) 2015/2446

Note 7: Other tolerances applicable to certain textile products

7.1 Where, in the list, reference is made to this note, textile materials that do not satisfy the rule set out in the list in Column 3 for the made-up product concerned can be used, provided that they are classified in a heading other than that of the product and that their value does not exceed 8% of the ex works price of the product.

7.2 Without prejudice to Note 7.3, materials that are not classified within Chapters 50–63 can be used freely in the manufacture of textile products, whether or not they contain textiles.

Example

If a rule in the list provides that, for a particular textile item (such as trousers), yarn must be used, this does not prevent the use of metal items such as buttons, because buttons are not classified within Chapters 50–63. For the same reason, it does not prevent the use of slide fasteners, even though slide fasteners normally contain textiles.

7.3 Where a percentage rule applies, the value of materials that are not classified within Chapters 50–63 must be taken into account when calculating the value of the non-originating materials incorporated.

Exclusion from regional cumulation

As described in Section 2.2(ii) above, cumulation is an exception to the rules of origin, and regional cumulation is when materials originating in one country of a regional group (the EU GSP recognizes four regional groups), which are further worked or processed in another beneficiary country in the same group, are considered to originate in the latter country.⁸⁶

As explained above, Lao PDR is assigned to Group 1 from the four regional groups comprising Brunei, Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Thailand and Viet Nam.⁸⁷ Therefore, if Lao PDR imports material from any of the above-mentioned countries (subject to the EU’s GSP rules of origin), and this product is further worked or processed in Lao PDR, the product can be taken as originating in Lao PDR and will be entitled to benefit from the EBA preferences.

There are certain types of works in the textile sector that are, however, excluded from regional cumulation, namely:⁸⁸

- | Fitting of buttons and/or other types of fastenings;
- | Making of button holes;
- | Finishing off the ends of trouser legs and sleeves or the bottom hemming of skirts and dresses, etc.;
- | Hemming of handkerchiefs and table linen, etc.;
- | Fitting of trimmings and accessories such as pockets, labels and badges, etc.;
- | Ironing and other preparations of garments for sale ready-made;
- | Or any combination of such working.

iv. Key regulatory requirements for garments and textile products

a) Restrictions on use of chemical substances in textile products

Textile articles containing certain chemical substances, group of substances, or mixtures **cannot be placed on the EU market** or are **severely restricted**. The following chemical substances, group of substances, or mixtures are not allowed as set out in the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulation.⁸⁹

Table 9: List of chemical substances not allowed for textile products and garments

Chemical substances/group of substances/mixtures	Description
Tris(2,3 dibromopropyl) phosphate	Not allowed in textile articles, such as garments, undergarments and linen, intended to come into contact with the skin.
Tris(aziridiny) phosphinoxide	Not allowed in textile articles, such as garments, undergarments and linen, intended to come into contact with the skin.
Polybrominated biphenyls (PBB)	Not allowed in textile articles, such as garments, undergarments and linen, intended to come into contact with the skin.
Mercury compounds	May not be placed on the market, or used, as substances or in mixtures where the substance or mixture is intended for use in the impregnation of heavy duty industrial textiles and yarn intended for their manufacture.
Diocyltin (DOT) compounds	May not be used since 1 January 2012, <i>inter alia</i> , in the following articles for supply to, or use by the general public, where the concentration in the article, or part thereof, is greater than the equivalent of 0,1% by weight of tin: <ul style="list-style-type: none"> ▪ Textile articles intended to come into contact with the skin; and ▪ Gloves.
Nickel	Not allowed in articles intended to come into direct and prolonged contact with the skin, such as: <ul style="list-style-type: none"> ▪ Earrings; ▪ Necklaces, bracelets and chains, anklets and finger rings; ▪ Wristwatch cases, watch straps and tighteners; and ▪ Rivets buttons, tighteners, rivets, zippers and metal marks, when these are used in garments.
Azocolourants and azodyes	Azodyes, which, by reductive cleavage of one or more azo groups, may release one or more of the aromatic amines listed in Appendix 8 of the REACH Regulation, in detectable concentrations, i.e. more than 30 mg/kg (0,003% by weight) in the articles or in the dyed parts thereof, according to the testing methods listed in Appendix 10 of the REACH Regulation, may not be used, in textile and leather articles that might come into direct and prolonged contact with the human skin or oral cavity, such as: <ul style="list-style-type: none"> ▪ Clothing, bedding, towels, hairpieces, wigs, hats, nappies and other sanitary items, and sleeping bags; ▪ Footwear, gloves, wristwatch straps, handbags, purses/wallets, briefcases, chair covers and purses worn around the neck; ▪ Textile or leather toys and toys that include textile or leather garments; and ▪ Yarn and fabrics intended for use by the final consumer.

Chemical substances/group of substances/mixtures	Description
<p>Azocolourants and azodyes (cont.)</p>	<p>Furthermore, the textile and leather articles referred to in Paragraph 1 shall not be placed on the market unless they conform to the requirements set out in that paragraph.</p> <p>Azodyes, which are contained in Appendix 9 of the REACH Regulation, "List of azodyes", shall not be placed on the market, or used, as substances, or in mixtures in concentrations greater than 0,1% by weight, where the substance or the mixture is intended for colouring textile and leather articles, which may release one or more of the aromatic amines listed in Appendix 8, in textile and leather articles that might come into direct and prolonged contact with the skin or oral cavity.</p>
<p>Nonylphenol and nonylphenol thoxylates</p>	<p>May not be placed on the market, or used, as substances or in mixtures in concentrations equal to or greater than 0,1% by weight for, inter alia, the following purposes: textiles and leather processing, except:</p> <ul style="list-style-type: none"> ▪ Processing with no release into waste water; and ▪ Systems with special treatment, where the process water is pre-treated to remove the organic fraction completely prior to biological waste water treatment (degreasing of sheepskin).

For further information on chemical substances:

Manufacturers and traders can contact the European Chemicals Agency (ECHA), which manages and coordinates the registration, evaluation, authorization and restriction processes of chemical substances in the EU.

European Chemicals Agency

P.O. Box 400, 00121 Helsinki, Finland

Switchboard: +358-9-686180

Online Helpdesk: <http://echa.europa.eu/contact/helpdesk-contact-form>

b) Restrictions on the type of animal used for manufacture of textile product

Manufacturers of textile products derived from exotic animals should assess compliance with EU rules based on the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).⁹⁰ The rules impose checks on imports and exports at both the EU and country of origin levels and each EU member state has a management authority to issue permits and check imports, as well as a scientific authority to act as a consultative body.

EU legal instruments list the endangered species of animals, which roughly correlate to the appendixes found in CITES, and are organized from the greatest degree of trade restrictiveness as assigned by the EU, to the least trade restrictiveness. All textile products and garments derived from a species listed require, at the very least, an import licence or permit.

c) Regulations imposed on non-food products to enhance protection of consumers

In June 2019, EU legislation was issued with the aim to harmonize, at the EU level, the requirements on non-food products and to enhance the protection of consumers from unsafe and non-compliant products.⁹⁴ **This legislation entered into force on 16 July 2021.**⁹²

As regards textile and garment products, the amended EU rules will provide EU member states with additional power to ensure that products placed on the EU market are compliant with harmonized legislation related to limits of restricted substances, notably with respect to the following legal instruments:

- | Regulation (EU) No. 1007/2011 on textile fibre names and related labelling and marking of the fibre composition of textile products;
- | Regulation (EC) No. 66/2010 on the EU's Ecolabel; and
- | The REACH Regulation.

Products identified as non-conforming are to be rejected at borders and withdrawn from the EU market.

v. Labelling of garment and textile products

To ensure that EU consumers are provided with accurate information regarding the composition of the textile products that they purchase, manufacturers and traders wishing to place their products on the EU market are required to show that their goods are properly marked or accompanied with commercial documents pursuant to Regulation (EU) 1007/2001.⁹³

a. Products that need to be labelled

Types of products that require a label

- | Only products for sale to the final consumer need to be labelled.
- | For other products, the labelling or marking can be replaced or supplemented by accompanying commercial documents.
- | Annex V to Regulation 1007/2001 lists 42 products that do not require labelling indicating fibre name or composition.

Other products treated in the same way as textile products for labelling purposes

Under the scope of the above-mentioned regulation,⁹⁴ there are a number of other products that will also be treated the same way as textile products, as outlined in Figure 9. These rules are not, however, applicable to customized products made by self-employed tailors.⁹⁵

Inclusive label

An inclusive label refers to the use of a single label for several textile products or components, and can be used when all textile products or components are of the same type and fibre composition. This is applicable for textile products listed in in Annex VI to Regulation 1007/2001:

- Floor cloths;
- Cleaning cloths;
- Edgings and trimmings;
- Passementerie;
- Belts;
- Braces;
- Suspenders and garters;
- Shoe and bootlaces;
- Ribbons;
- Elastic;
- New packaging sold as such;
- Packing string and agricultural twine; string, cordage and ropes other than those falling within item 37 of Annex V (1);
- Table mats;
- Handkerchiefs;
- Bun nets and hair nets;
- Ties and bow ties for children;
- Bibs, wash gloves and face flannels;
- Sewing, mending and embroidery yarns presented for retail sale in small quantities with a net weight of 1 gram or less; and
- Tape for curtains and blinds and shutters.

Products sold by the metre need to be labelled only on the piece or roll offered for sale.⁹⁶

b. Instructions on labelling, marking and attaching labels for textile products

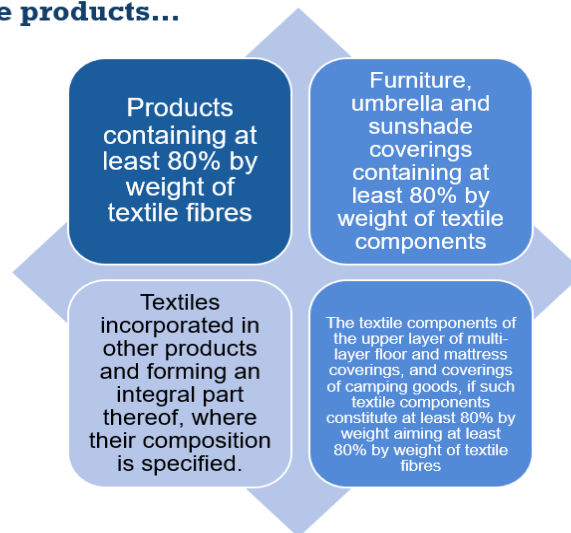
Textile fibre names and composition

With respect to the names of the textile fibres, *only the textile fibre names listed in Annex I to Regulation (EU) 1007/2011 can be used for the description of the fibre composition on labels.*

A new name is justified only if the fibre cannot be classified into any of the existing groups. Adding a new fibre name requires that the relevant annexes of Regulation (EU) 1007/2011 are amended. For that to happen, the European Commission must initiate an amending procedure, but will only do so in case it is useful to improve consumer protection. Trades of textile products are required to label or mark their products to indicate the fibre composition in a manner that is accurate, not misleading and easily understandable.

Figure 9: Other products labelled as textile products

In the EU, the following products are to be treated in the same way as textile products...



Additionally, there are other specific requirements that traders in Lao PDR should be aware of:

- | Labels indicating "100%", "pure" or "all" must be exclusively composed of the same fibre;⁹⁷
- | Multi-fibre textile products shall be labelled or marked with the name and percentage by weight of all constituent fibres in descending order. Fibres listed in Annex I of Regulation 1007/2001, or fibres accounting for less than 5% of the total weight, can be labelled as "Other fibres", as long as their total percentage by weight is also included;⁹⁸
- | Textile products containing two or more textile components, which have different textile fibre contents, are to bear a label or marking stating the textile fibre content of each component;⁹⁹
- | Decorative fibres and fibres with anti-static effect not exceeding 7% and 2%, respectively, of the weight of the product do not need to indicate fibre content;¹⁰⁰
- | A label or marking stating "Contains non-textile parts of animal origin" must be present when a product contains non-textile parts of animal origin;¹⁰¹ and
- | For textile products whose fibre composition is difficult to determine, the terms "mixed fibres" or "unspecified textile composition" are allowed.¹⁰²

In order to protect producers and to inform consumers, the term "cotton" is exclusively reserved for the fibre obtained from the bolls of the cotton plant (*Gossypium*).¹⁰³ The term "cotton linen union" is reserved for products having a pure cotton warp and a pure flax weft, in which the percentage of flax accounts for a minimum 40% of the total weight of the fabric.¹⁰⁴ On the textile product's label, this name must be accompanied by the composition specification.

Attaching labels

According to Article 14(1) of Regulation (EU) 1007/2011, labels must be securely attached, and both labels and marks must be durable, easily legible in the official language(s) of the importing EU country, visible and accessible. The only abbreviations allowed on labels are mechanized processing codes and abbreviations defined in international standards.

Special provisions for certain textile products

Special provisions for the labelling and marking of certain textile products are provided in Annex IV of Regulation 1007/2011. Products addressed in Annex IV include corsetry products, etch-printed textiles, embroidered textiles, yarns consisting of a core and a cover made up of different fibres, velvet and plush textiles (or products that resemble velvet or plush) and certain multi-fibre floor coverings.

c. Options for including environmental labelling

In the EU, the Ecolabel is the official mark for products with the lowest environmental impact in a specific product range. It aims to promote environmental protection, as well as help consumers to identify those products that contribute significantly to improvements in relation to key environmental aspects. **Participation in the scheme is voluntary**, which means that products can be sold within the EU market without the Ecolabel logo and that there are no regulations that require traders to apply the logo.

Including the EU Ecolabel

When a product is included in the product group definition and complies with the Ecolabel criteria, manufacturers, importers, service providers, traders or retailers that want to market their products in the EU can apply for the Ecolabel.¹⁰⁵ Textile product manufacturers wishing to apply the EU Ecolabel to their products should check the specific criteria.¹⁰⁶

Application for and use of EU Ecolabel

An application must be submitted to the competent body of any EU member state in which the product is to be placed, or has been placed, on the market.

The application must include all relevant documentation to prove that the product complies with the ecological and performance criteria. The competent body will inform the applicant of the necessary documents that must be submitted, of the test results that must be provided and how they should be carried out. If the application is successful, the competent body will give the applicant a contract covering the terms of use of the label.

Ecolabel products can be marketed in all EU member states. Applications for the award of an Ecolabel are subject to payment of a fee. In addition, there is an annual fee for the use of the label. Detailed information on the current criteria can be found at www.ecolabel.eu.

Figure 10: Environmental labelling instructions



- The official mark in the EU for products with the lowest environmental impact is the *Ecolabel*.
- The use of the *Ecolabel* scheme is **not mandatory**.
- For the use of the EU *Ecolabel*, exporters of textile products must submit an application including relevant documents proving that the product complies with the ecological and performance criteria.
- Textile products' manufacturers wishing to apply the EU Ecolabel to their products should check the specific criteria.

vi. Further information/key contacts

For further information on the textile and fashion industry in the EU, the EC provides the following:

Information on:	Link
Textiles industry	https://ec.europa.eu/growth/sectors/fashion/textiles-clothing_en
Fashion and high-end industries	https://ec.europa.eu/growth/sectors/fashion/high-end-industries_en
Legislation relevant for textiles	https://ec.europa.eu/growth/sectors/fashion/textiles-clothing/legislation_en
	https://ec.europa.eu/growth/sectors/fashion/textiles-clothing/legislation/other_en

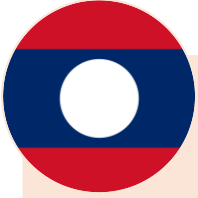
For further information on business associations and other relevant entities, on a regional and national level, refer below:

Institution	Description	Contact details
The European Apparel and Textile Confederation (EURATEX)	The European Apparel and Textile Confederation (EURATEX) represents the interests of the European textile and clothing industry at the EU level. EURATEX national federations represent in the EU roughly 160,000 companies with a turnover of €162 billion and 1.5 million employees. Since 2008, EURATEX is a registered association in Brussels and, in 2010, it became an international non-profit organization (AISBL).	Rue Belliard, 40 1040 Brussels Phone: +32 2 285 48 83 E-mail: info@euratex.eu Website: www.euratex.eu
Nordic Fashion Association (NFA)	The Nordic Fashion Association (NFA) was inaugurated in 2008 by five Nordic fashion organizations with a core purpose of gathering the Nordic fashion industry and collectively	Nordic Fashion Association (NFA) Thorvald Meyers Gate 51 0555 Oslo, Norway

Institution	Description	Contact details
Nordic Fashion Association (NFA) (cont.)	embarking on the process of working with and implementing principles for sustainable fashion. Through the NFA, 10 Nordic fashion organizations aim to intensify their strategic cooperation. The five Nordic countries are globally known for a socially responsible conduct, a functionalistic approach to clothes and a shared feature of accessible fashion.	Phone: +47 486 09 101 E-mail: hello@nordicfashionassociation.com Website: www.nordicfashionassociation.com
The Federazione Imprese Sistema Moda Italia – Federazione Tessile E Moda (The Federation of Italian Textile and Fashion Companies)	The Federazione Imprese Sistema Moda Italia (SMI) is one of the largest organizations representing the textile and fashion industry. It represents the entire supply chain on a national and international level, and maintains relations with government agencies, public administration, and economic, political, labour and social organizations. The federation promotes the interests of its members and represents the textile and clothing industry on issues related to international trade, trade duties and quotas, currency and customs regulations. It provides training and consulting services to its members and is a major source of economic and statistical data. Substantial effort is devoted by the federation to the promotion of cotton-made textile products at fashion shows.	SMI - ATI Via A. Riva Villasanta 3 Milano, Italy Phone: +39 2 64 11 90 01 E-mail: direzione@sistemamodaitalia.it crisfava@bravocomunicazione.com Website: https://sistemamodaitalia.com/it/
The Association Française Cotonnière (The French Cotton Association)	The Association Française Cotonnière (AFCOT) has existed for more than 100 years and has approximately 80 members, including companies based in France and in other countries. Members include cotton merchants, agents, shippers, controllers, transport organizations, ports, banks and spinners. The AFCOT publishes <i>Le Havre General Rules</i> , which regulate contracts for the sale of cotton and arbitration. AFCOT has a laboratory that is equipped for fibre testing.	AFCOT BP 143 76051 Le Havre CEDEX France Phone: +31 2 35 41 20 36 Website: www.afcot.org

3.2 FOOTWEAR PRODUCTS

i. Main steps for exporting footwear products to the EU



Comply with the steps required in Lao PDR

- | Register the enterprise in accordance with specified procedures.
- | Prepare export documents.
- | Request and obtain an export permit.
- | Fill out the ASYCUDA forms for customs clearance.
- | Check legal notifications pertaining to specific aspects relating to the export (e.g., sanitary and phytosanitary measures), and relating to specific products.



Comply with the importing requirements of the EU

- | Check and ensure compliance with the applicable rules of origin.
- | Ensure registration with the EU's Registered Exporter (REX) system.
- | Request and obtain a phytosanitary certificate for plant-based products.



Comply with any product-specific rules that apply to products to be placed on the EU market:

- | Check the relevant labelling rules.
- | Check the special rules for footwear used by individuals for health and safety purposes in the workplace.
- | Check the environmental labelling options.
- | Check the restrictions on the use of certain chemical substances in textile products.
- | Check the special restrictions relating to leather footwear.
- | Check the requirements related to fluorinate greenhouse gases for footwear imported into the EU.

ii. Context

In 2019, exports of “Footwear, hats and other headgear” from Lao PDR to the EU had a value of €19 million, representing 6.6% of its total exports to the EU,¹⁰⁷ featuring among the top five exports from Lao PDR to the EU. The value of exports of “Footwear, hats and other headgear” from Lao PDR to the EU continuously increased from €4 million in 2016 to €19 million in 2019.

The footwear sector from Lao PDR shows strong export potential. The sector is covered under the EU's Standard GSP and GSP+ schemes, which means that Lao PDR's footwear exporters would continue to benefit from preferential market access to the EU even after the expiration of Lao PDR's EBA status. Exporters should, however, note that more stringent rules of origin would be applied under Standard GSP and GSP+.

Table 10 is an overview of the key EU member states to which Lao PDR exports footwear products. The other key countries exporting footwear products to the EU include China, Viet Nam, Indonesia, Cambodia, Myanmar and the Philippines (see Table 11).

Table 10: Lao PDR exports to the world and to certain EU member states in 2019¹⁰⁸

HS chapter	Sector	Lao PDR exports to all destinations (in USD)	Exports to certain EU member states (in USD)	
Chapter 64	Footwear, gaiters and the like; parts of such articles	73,142,000	United Kingdom	8,142,000
			Netherlands	7,196,000
			Germany	4,266,000
			Italy	1,104,000
			Poland	1,095,000

Table 11: Key countries of origin of exports and Lao PDR exports to the EU in 2019¹⁰⁹

HS chapter	Sector	Country	Import value to the EU (in EUR)
Chapter 64	Footwear, gaiters and the like; parts of such articles	China	9,054,117,727
		Viet Nam	4,461,895,004
		Indonesia	1,562,782,214
		Cambodia	775,947,069
		Myanmar	177,334,360
		Philippines	81,375,384
		Lao PDR	28,592,612

iii. Technical rules applicable to footwear products

a) Tariffs for footwear exports under the EBA

Under the EBA scheme, all goods, including footwear, enter the EU duty free.

b) Rules of origin requirements for footwear exports from Lao PDR

As explained in Section 2.2(ii), the rules of origin under the GSP Regulation note that, in order to benefit from the tariff preferences, the products for which the tariff preferences are **claimed must originate in a beneficiary**

Footwear products

country.¹¹⁰ The product is deemed to originate from the beneficiary country when the product has been wholly obtained in that country or is sufficiently worked or processed in that country.

For footwear, the rules of origin are laid out in Part II of Annex 22-03 of Commission Delegated Regulation (EU) 2015/2446.¹¹¹ Annex 22-03 is organized into three columns as in Table 12.

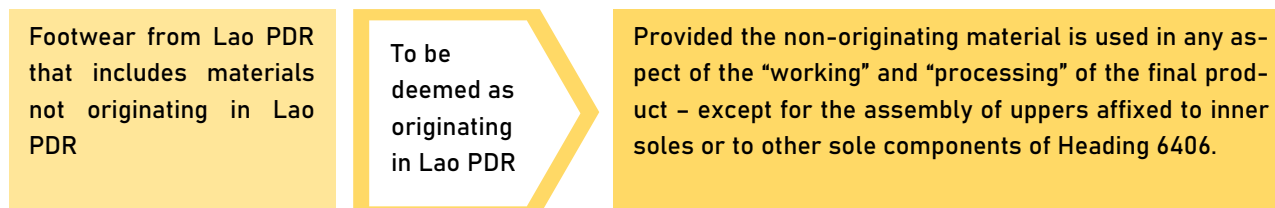
Table 12: Extract from Annex 22-03 of Commission Delegated Regulation (EU) 2015/2446 for footwear products

Harmonized System heading	Description of product	Qualifying operation (working or processing, carried out on non-originating material, which confers originating status)
Ex Chapter 64	Footwear, gaiters and the like parts of such articles	Manufacture from materials of any heading, except from assemblies of uppers affixed to inner soles or to other sole components of Heading 6406.
6406	Parts of footwear (including uppers, whether or not attached to soles other than outer soles); removable in-soles, heel cushions and similar articles, gaiters, leggings and similar articles, and parts thereof	Manufacture from materials of any heading, except that of the product.

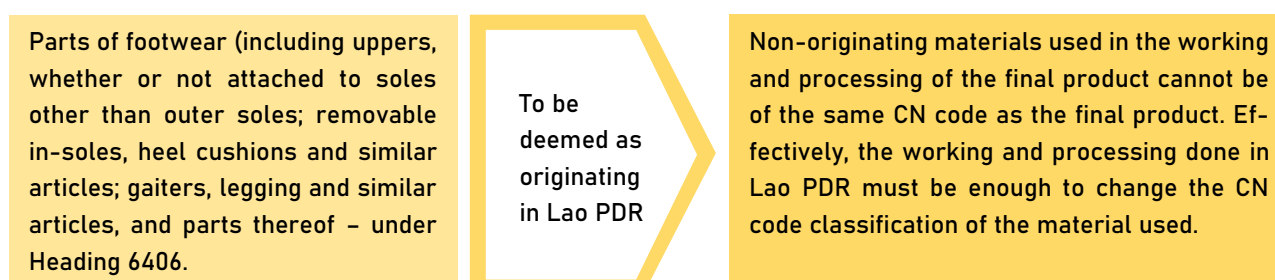
In simple terms, for exporters from Lao PDR, Column 3 states the minimum qualifying operation necessary for a material not originating from Lao PDR to be deemed to have originated from Lao PDR for the purposes of the EBA scheme.

To illustrate:

Ex Chapter 64:



HS Code 6406:



The general exceptions to the rules of origin – in terms of tolerances and cumulation – as described in Section 2.2(ii) above will apply for footwear products.

iv. Key regulatory requirements for footwear products

a) Restrictions on use of chemical substances in footwear products

Footwear products containing certain chemical substances, group of substances, or mixtures **may not be placed on the EU market** or are **severely restricted**.

The following chemical substances, group of substances, or mixtures are not allowed, as set out in the REACH Regulation (see Table 13).¹¹²

Table 13: Chemical substances not allowed for footwear products

Chemical substances/group of substances/mixtures	Description
Tris(2,3 dibromopropyl) phosphate	Not allowed in textile articles, such as garments, undergarments, and linen, intended to come into contact with the skin
Tris (aziridinyl) phosphin oxide	Not allowed in textile articles, such as garments, undergarments, and linen, intended to come into contact with the skin
Polybrominated biphenyls (PBB)	Not allowed in textile articles, such as garments, undergarments, and linen, intended to come into contact with the skin
Mercury compounds	May not be placed on the market, or used, as substances or in mixtures where the substance or mixture is intended for use in the impregnation of heavy-duty industrial textiles and yarn intended for their manufacture
Diocetyl tin (DOT) compounds	May not be used since 1 January 2012, <i>inter alia</i> , in the following articles for supply to, or use by the general public, where the concentration in the article, or part thereof, is greater than the equivalent of 0,1% by weight of tin: Footwear or part of footwear intended to come into contact with the skin
Azocolourants and azodyes	Azodyes, which, by reductive cleavage of one or more azo groups, may release one or more of the aromatic amines listed in Appendix 8 of the REACH Regulation, in detectable concentrations, i.e. more than 30 mg/kg (0,003% by weight) in the articles or in the dyed parts thereof, according to the testing methods listed in Appendix 10 of the REACH Regulation, may not be used in textile and leather articles that might come into direct and prolonged contact with the human skin or oral cavity, such as: <ul style="list-style-type: none"> ▪ Clothing, bedding, towels, hairpieces, wigs, hats, nappies and other sanitary items, and sleeping bags; ▪ Footwear, gloves, wristwatch straps, handbags, purses/wallets, briefcases, chair covers, and purses worn around the neck; ▪ Textile or leather toys and toys that include textile or leather garments; and ▪ Yarn and fabrics intended for use by the final consumer.

Chemical substances/group of substances/mixtures	Description
Azocolourants and azodyes (cont.)	<p>Furthermore, the textile and leather articles referred to in Paragraph 1 shall not be placed on the market unless they conform to the requirements set out in that paragraph.</p> <p>Azodyes, which are contained in Appendix 9 of the REACH Regulation, "List of azodyes", shall not be placed on the market, or used, as substances, or in mixtures in concentrations greater than 0,1% by weight, where the substance or the mixture is intended for colouring textile and leather articles, which may release one or more of the aromatic amines listed in Appendix 8, in textile and leather articles that might come into direct and prolonged contact with the skin or oral cavity.</p>
Nonylphenol and nonylphenol ethoxylates	<p>May not be placed on the market, or used, as substances or in mixtures in concentrations equal to or greater than 0,1% by weight for, <i>inter alia</i>, the following purposes: textiles and leather processing, except:</p> <ul style="list-style-type: none"> ▪ Processing with no release into wastewater; and ▪ Systems with special treatment, where the process water is pre-treated to remove the organic fraction completely prior to biological wastewater treatment (degreasing of sheepskin).

For further information on chemical substances:

For more information regarding the use of certain chemicals in footwear, traders and manufacturers in Lao PDR should contact the European Chemicals Agency (ECHA), which is the body responsible for managing and coordinating the registration, evaluation, authorization and restriction processes of chemical substances in the EU. The European Chemicals Agency can be contacted at:

European Chemicals Agency	P.O. Box 400, 00121 Helsinki, Finland Switchboard: +358-9-686180 Online Helpdesk: http://echa.europa.eu/contact/helpdesk-contact-form
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b) Restrictions on type of animals used in manufacture of leather footwear

Materials used for the manufacture of leather footwear derived from exotic animals should check for compliance with EU rules implementing the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).¹¹³

The rules impose checks on imports and exports at both the EU and country of origin levels and each EU member state has a management authority to issue permits and check imports, as well as a scientific authority to act as a consultative body. EU legal instruments list the endangered species of animals, which roughly correlate to the appendixes found in CITES, and are organized from the greatest degree of trade restrictiveness as assigned by the EU, to the least trade restrictiveness. All leather footwear derived from the listed species will need, at the very least, an import licence or permit.

c) Restrictions on fluorinate greenhouse gases in footwear imported to EU

Manufacturers from Lao PDR wishing to export footwear to the EU must take into account the technical requirements related to products containing fluorinated greenhouse gases.¹¹⁴

- | Footwear containing fluorinated greenhouse gases (e.g. hydrofluorocarbons – HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF6) are prohibited from being placed on the EU market.
- | Manufacturers and traders exporting footwear from Lao PDR are advised to check the list of fluorinated greenhouse gases not allowed into the EU to ensure that their products do not contain any of these gases.¹¹⁵

d) Regulations imposed on non-food products to enhance protection of consumers

In June 2019, EU legislation was issued with the aim to harmonize, at the EU level, the requirements on non-food products and to enhance the protection of consumers from unsafe and non-compliant products.¹¹⁶ **This legislation entered into force on 16 July 2021.**¹¹⁷

As regards footwear, the amended EU rules will provide EU member states with additional power to ensure that products placed on the EU market are compliant with harmonized legislation related to limits of restricted substances.

More specifically, the provisions on market surveillance under applicable EU legislation is applicable to all product categories subject to EU harmonization legislations listed in Annex 1 to the regulation,¹¹⁸ notably with respect to the following legal instruments:

- | Directive 94/11/EC of the European Parliament and of the Council of 23 March 1994 on the approximation of the laws, regulations and administrative provisions of the member states relating to labelling of the materials used in the main components of footwear for sale to the consumer (as discussed in Section iv below);
- | Regulation (EU) 517/2014 on fluorinated greenhouse gases (as discussed in Section iii (c) above);
- | Regulation (EC) 66/2010 on the EU Ecolabel (as discussed in Section iv (d) below);
- | The REACH Regulation (as discussed in Section iii(a) above).

Products identified as non-conforming are to be rejected at borders and withdrawn from the EU market.

v. Labelling and packaging requirements for footwear products

The labelling of footwear in the EU is regulated by *Directive 94/11/EC of European Parliament and Council of 23 March 1994 on the approximation of the laws, regulations and administrative provisions of the Member States relating to labelling of the materials used in the main components of footwear for sale to the consumer*¹¹⁹ (hereinafter, Directive 94/11/EC).

The labelling of footwear and its components aims to provide consumers with information, allowing them to make informed decisions. It is also beneficial for the industry, as it can prevent unfair competition and avoid disruptions of the EU market.

a) Footwear products that need to be labelled

The EU rules apply to:

- | Flat or high-heeled shoes for ordinary indoor or outdoor wear;
- | Ankle-boots, half-boots, knee-boots and thigh boots;
- | Sandals of various types, espadrilles (shoes with canvas uppers and soles of plaited vegetable material), tennis shoes, running and other sports shoes, bathing sandals and other casual footwear;
- | Special sports footwear that is designed for a sporting activity and has, or has provision for the attachment of spikes, studs, stops, clips, bars or the like and skating boots, ski boots and cross-country ski footwear, wrestling boots, boxing boots and cycling shoes. Also included are composite articles made up of footwear with (ice or roller) skates attached;
- | Dancing slippers;
- | Footwear formed from a single piece, particularly by moulding rubber or plastics, but excluding disposable articles of flimsy material (paper or plastic film, etc., without applied soles);

Footwear products

- | Overshoes worn over other footwear, which in some cases are heel-less;
- | Disposable footwear, with applied soles, generally designed to be used only once; and
- | Orthopaedic footwear.

Annex II provides examples of footwear covered by this Directive and notes that “footwear may range from sandals with uppers consisting simply of adjustable laces or ribbons to thigh boots the uppers of which cover the leg and thigh”.

b) Instructions on labelling, marking and attaching labels for footwear products

Labels on footwear must comply with the following requirements

1. Provide information on the three components of the footwear: (i) *Upper*; (ii) *Lining and sock*; and (iii) *Outer sole*.
2. Label must be either written or in the form of a pictogram and must be visible, securely attached and accessible.
3. Label must affix the required information to at least one article of footwear in each pair:
 - (i) Printed or embossed on the footwear;
 - (ii) Attached to the footwear by means of, for example, an adhesive label; or
 - (iii) Affixed by means of, for example, a fastener or string.




With respect to footwear that is imported, the person who first places it on the EU market is responsible for doing so. Retailers then remain responsible for ensuring that the footwear they sell bears the appropriate labelling.

Materials to be specified on the label¹²⁰

1. Only predominant materials – i.e. materials covering 80% or more of the surface areas of the upper, the lining, and the sock of the footwear, as well as 80% or more of the volume of the outer sole – needs to be specified on the label.
2. Where no single material accounts for at least 80%, a label with information on the two main materials must be provided.
3. Definitions, corresponding pictograms and written indications are provided for in Annex 10f of the relevant Directive¹²¹ – concerning the parts of the footwear to be identified.





Part 1: Provides definitions, corresponding pictograms and written indications in all EU languages concerning parts of footwear to be identified (Annex 1, Part 1)

Figure 11: Extracts from Directive 94/11/EC-guidelines for labelling of footwear products

Pictogram		Written indications	
<p>(c) Outer sole This is the bottom part of the footwear article, which is subjected to abrasive wear and attached to the upper.</p> 			
		<p>F Soletta esteriore D Laufsohle IT Suola esterna NL Buitenzool EN Outer sole DK Ydersål GR ΣΟΛΑ ES Suela P Sola ► A1 CZ Podšiva EST Välisjalad LV Ārējā zole LT Padas HU Járótalp M Pett al' barea PL Spód SI Podplata SK Podšiva ◀ ► M1 BG наметно RO Talpă exterioră ◀ ► M2 HR Podplata (džriglita) ◀</p>	
<p>1. Definition and corresponding pictogram or written indications concerning the parts of the footwear to be identified</p>			
		<p>(a) Upper This is the outer face of the structural element which is attached to the outersole.</p> 	
		<p>F Tige D Obermaterial IT Toppia NL Bovensteel EN Upper DK Overdel GR ΕΠΙΘΑΝΣΗ ΜΠΡΟΣΤΕ P Parte superior ► A1 CZ Větrák EST Põlvik LV Virsa LT Viršus HU Felőbőr M Wirtel PL Wierzch SI Zgornji del SK Vrch ◀ ► M1 BG горен част RO Fajă ◀ ► M2 HR Gornjište ◀</p>	
		<p>(b) Lining and sock These are the lining of the upper and the insole, constituting the inside of the footwear article.</p> 	
		<p>F Doppelte et semelle de propreté D Futter und Decksohle IT Fodera e Sottopiede NL Voering en inlegzool EN Lining and sock DK Føring og innsål GR ΦΟΜΠΕΣ ES Forro y plantilla P Forro e Palmilha ► A1 CZ Podšívka a stielka EST Vooder ja sisemuld LV Odere un ielekānans saistule IT Pannocchia e giacote HU Bérlés és fedőlepkézés M Inforsu u soletta PL Podszewka z wyściółką SI Podloga in vintel (stielka) SK Podšívka a stielka ◀ ► M1 BG вътрешна чехлица RO Căptuşeală şi acoperiş de leanj ◀ ► M2 HR Podšivka i ulobna talbinica ◀</p>	

Part II: Provides definitions, corresponding pictograms and written indications in all EU languages concerning parts of footwear to be identified (Annex I, Part 2)

Figure 12: Extract from Directive 94/11/EC – guidelines on identification of parts of footwear

	Pictogram	Written indications		Pictogram	Written indications
(a) (i) Leather A general term for hide or skin with its original fibrous structure more or less intact, tanned to be rot-proof. The hair or wool may or may not have been removed. Leather is also made from a hide or skin which has been split into layers or segmented either before or after tanning. However, if the tanned hide or skin is disintegrated mechanically and/or chemically into fibrous particles, small pieces or powders and then, with or without the combination of a binding agent, is made into sheets or other forms, such sheets or forms are not leather. If the leather has a surface coating, however applied, or a glued-on finish, such surface layers must not be thicker than 0,15 mm. Thus, all leathers are covered without prejudice to other legal obligations, e.g. the Washington Convention. Should the term 'full grain leather' be used in the optional additional textual information referred to in Article 5, it will apply to a leather bearing the original grain surface as exposed by removal of the epidermis and with none of the surface removed by buffing, snuffing or splitting.		F Cuir D Leder IT Cuoio NL Leder EN Leather DK Læder GR ΔΕΡΜΑ ES Cuero P Couros e peles curtidas ► A1 CZ Ušně EST Nahk LV Āda LT Oda HU Bőr M Gilda PL Skóra SI Usnje SK Ušně ◀ ► M1 BG кожа RO Piele cu fașă naturală ◀ ► M2 HR Koža ◀	(a) (ii) Coated Leather Leather where the surface coating applied to the leather does not exceed one third of the total thickness of the product but is in excess of 0,15 mm.		F Cuir enduit D Beschichtetes Leder IT Cuoio rivestito NL Gecoat leder EN Coated leather DK Overtrukket læder GR ΕΠΙΒΛΕΒΕΤΟ ΔΕΡΜΑ ES Cuero untado P Couro revestido ► A1 CZ Povrstvená usně EST Kaetud nahk LV Pārklāta āda LT Padengta oda HU Bevonatás bőr M Gilda miksija PL Skóra pokryta SI Krito usnje SK Povrstvená usně ◀ ► M1 BG кожа с нощпатрне RO Piele cu fașă corectată ◀ ► M2 HR Koža korigiranog lica ◀
(b) Natural textile materials and synthetic or non-woven textile materials *Textiles* shall mean all products covered by Directive 71/307/EEC and amendments thereof.		F Textile D Textil IT Tessili NL Textiel EN Textile DK Tekstil-materialer GR ΥΦΑΕΜΑ ES Textil P Têxteis ► A1 CZ Textilie EST Tekstiil LV Tekstilmateriāls LT Tekstilė HU Textil M Tessut PL Materiał włókienniczy SI Tekstil SK Textil ◀ ► M1 BG текстил RO Textile ◀ ► M2 HR Tekstil ◀	(c) All other materials		F Autres matériaux D Sonstiges Material IT Altre materie NL Overige materialen EN Other materials DK Andre materialer GR ΆΛΙΑ ΥΑΙΚΑ ES Otros materiales P Outros materiais ► A1 CZ Ostatní materiály EST Teised materjalid LV Citi materiāli LT Kitos medžiagos HU Egyéb anyag M Materjal iehor PL Inny materiał SI Drugi materiali SK Iný materiál ◀ ► M1 BG всички други материали RO Alte materiale ◀ ► M2 HR Drugi materijali ◀

c) Special rules for footwear used by individuals for health and safety purposes in the workplace

Directive 94/11/EC does **not** cover footwear used by individuals for health and safety purposes in the workplace. Instead, these products are covered under EU rules on personal protective equipment (PPE).¹²²

Footwear designed to be worn by individuals for **protection against one or more health and safety hazards** is regulated by specific EU regulation on "Essential health and safety requirements".¹²³ The law:

- Provides requirements for the design and manufacture of PPE;
- Aims to ensure the health and safety of users; and
- Seeks to allow the equipment to be placed on the market and used throughout the EU.

Notably, the EU law on "Essential health and safety requirements" notes, with respect to footwear:

3.1.2.1. Prevention of falls due to slipping

*The outsoles of protective footwear intended to prevent slipping must be designed and manufactured or equipped with additional means so as to ensure adequate grip, having regard to the nature or state of the surface.*¹²⁴

d) Options for including environmental labelling (voluntary requirement)

In the EU, the Ecolabel is the official mark for products with the lowest environmental impact in a specific product range. It aims to promote environmental protection, as well as help consumers to identify those products that contribute significantly to improvements in relation to key environmental aspects.

Participation in the scheme is **voluntary**. This means that products can be sold within the EU market without the Ecolabel logo and that there are no regulations that require traders to apply the logo.

Applying the Ecolabel: The EU Ecolabel for footwear applies to all categories of footwear, including sports, occupational, children's, men's, women's and specialist footwear for cold, casual use, fashion and indoors.¹²⁵ Footwear manufacturers wishing to apply the EU Ecolabel to their products should check the specific criteria¹²⁶ and the respective factsheet.¹²⁷

Application for and use of the EU Ecolabel: Footwear exporters from Lao PDR wishing to label their products with the EU Ecolabel must submit an application to the competent body of any EU member state in which the product is to be placed, or has been placed, on the market. The application must include all relevant documentation to prove that the product complies with the ecological and performance criteria.

The competent body will inform the applicant of the necessary documents that must be submitted, of the test results that must be provided, and how they should be carried out. If the application is successful, the competent body will provide the applicant with a contract covering the label's terms of use.



Ecolabel footwear can be marketed in all EU member states. Applications for the award of an Ecolabel are subject to payment of a fee. In addition, there is an annual fee for the use of the label. Detailed information on the current criteria is available at www.ecolabel.eu.

vi. Further information/key contacts

For further information on the footwear market in the EU, the EC provides the following:

Information on	Link
Footwear industry	https://ec.europa.eu/growth/sectors/fashion/footwear_en
Legislation relevant for footwear	https://ec.europa.eu/growth/sectors/fashion/footwear/legislation_en

For further information on business associations and other relevant entities, on a regional and national level, refer below.

Institution	Description	Contact details
European Footwear Confederation	The European Footwear Confederation (CEC) represents the European footwear industry in Brussels. The organization gathers both footwear national associations and federations, representing approximately 88% of footwear production at the EU level.	CEC Rue de la Science 14b 1040 Brussels Belgium

Institution	Description	Contact details
<p>European Footwear Confederation (cont.)</p>	<p>The CEC aims to facilitate collaboration with all the categories of stakeholders in the supply chain, from the collection of materials and components to the manufacturing and recycling.</p>	<p>Phone: +32 2 808 4452 E-mail: info@cec-footwearindustry.eu Website: www.cec-footwearindustry.eu</p>
<p>The Confederation of National Associations of Tanners and Dressers of the European Community</p>	<p>The Confederation of National Associations of Tanners and Dressers of the European Community (COTANCE) is the representative body of the European leather industry. It is a non-profit organization established to promote the interests of the tanning industry at EU and international level. Apart from representing European tanners and dressers, it also has the mission of promoting European leather both in the EU and international markets.</p>	<p>COTANCE Rue Washington 40 1050 Brussels Belgium</p> <p>Phone: +32 2 512 77 03 E-mail: cotance@euro-leather.com Website: www.euro-leather.com</p>

3.3 RAW AGRICULTURAL PRODUCTS

i. Main steps for exporting raw agricultural products to the EU



Comply with the steps required in Lao PDR

- | Register the enterprise in accordance with specified procedures.
- | Prepare export documents.
- | Request and obtain an export permit.
- | Fill out the ASYCUDA forms for customs clearance.
- | Check legal notifications pertaining to specific aspects relating to the export (e.g., sanitary and phytosanitary measures), and relating to specific products.



Comply with the importing requirements of the EU

- | Check and ensure compliance with the applicable rules of origin.
- | Ensure registration with the EU's Registered Exporter (REX) system.
- | Request and obtain a phytosanitary certificate for plant-based products.



Comply with any product-specific rules that apply to products to be placed on the EU market:

- | Check applicable import regimes for products of non-animal origin.
- | Check the EU rules for establishments for products of animal origin.
- | Check the EU maximum residue levels for relevant contaminant.
- | Check the relevant EU rules on plant protection and maximum residue levels.
- | Check special rules, for example, for organic products.
- | Check for any labelling requirements.

ii. Context

The Treaty on the Functioning of the EU (TFEU) stipulates that agricultural products are “the products of the soil, of stock farming, and of fisheries and products of first-stage processing directly related to these products”.¹²⁸ Annex I to the TFEU provides a list of goods that are considered agricultural products, using references to the tariff nomenclature. In 2019, total exports of agricultural products from Lao PDR to the EU had a value of €63 million, representing 22.1% of total trade.¹²⁹

Table 14: Exports from Lao PDR to the EU in 2019¹³⁰

Products	Import value to the EU (in EUR)
Agricultural products ¹³¹	63 million
Food and live animals	61 million
Beverage and tobacco	1 million

ITC analysis indicates that specialty agriculture from Lao PDR has a significant export potential of up to \$634 million.¹³² Lao PDR's topography allows for growing a wide range of speciality vegetables and fruits, and the country is also considered an important origin of organic products due to the traditionally low usage of fertilizers.¹³³ Products with such export potential include coffee (estimated export growth potential of \$62 million), and black tea and fresh flowers.¹³⁴ Currently, products such as coffee from Lao PDR are mainly exported to the Belgium and Germany in the EU market (refer excerpt of Lao PDR's agricultural exports in Table 15)

Table 15: Lao PDR exports to the world and to certain EU member states in 2019¹³⁵

HS chapter	Sector	Lao PDR overall exports to all destinations (in USD)	Exports to certain EU member states (in USD)	
Chapter 09	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion	69,506,000	Belgium	5,236,000
			Germany	1,441,000
			Sweden	483,000
			Spain	269,000
			Portugal	268,000
			France	132,000
Chapter 10	Cereal	52,351,000	Belgium	3,159,000
			Netherlands	454,000
			Italy	379,000
			France	222,000
			Denmark	134,000

Lao PDR is competing with other larger markets such as Brazil and Viet Nam in exporting such products to the EU market.

Table 16: Key countries of origin of certain agricultural exports, and Lao PDR's exports to the EU in 2019¹³⁶

HS chapter	Sector	Country	Import value to the EU (in EUR)
Chapter 09	Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion	Brazil	1,953,564,837
		Switzerland	1,405,751,687
		Viet Nam	1,116,041,185
		Lao PDR	15,433,743
Chapter 10	Cereals	Ukraine	2,872,497,843
		Brazil	833,839,012
		Canada	610,109,701
		Lao PDR	4,827,637

Given EU consumption trends, Lao PDR could place a particular focus on organic products, as well as on products of key export relevance, such as coffee, tea, maize, rice, cassava, and peanuts, as well as fruits and vegetables in more general terms, and flowers. In particular, the market of organic products continues to grow in the EU and could present an important opportunity for Lao PDR producers.

In the EU, the agrifood sector is highly regulated and it requires significant efforts by exporters to comply with relevant measures and to place products on the market. However, given the strict EU rules and framework on organic products, additional efforts appear to be needed before Lao PDR's products can be labelled as organic in the EU.

iii. Technical rules applicable to raw agricultural products

a) Tariffs for raw agricultural product exports under the EBA

Under the EU's EBA scheme, all raw agricultural products enter the EU duty free.

b) Rules of origin requirements for raw agricultural products from Lao PDR

As explained above in Section 2.2(ii), the rules of origin under the GSP Regulation note that, in order to benefit from the tariff preferences, the products for which the tariff preferences are **claimed must originate in a beneficiary country**.¹³⁷ The product is deemed to originate from the beneficiary country when the product has been wholly obtained in that country or is sufficiently worked or processed in that country.

For agricultural products, the rules of origin are laid out in Part II of Annex 22-03 of Commission Delegated Regulation (EU) 2015/2446.¹³⁸ Annex 22-03 is organized into three columns, as demonstrated in Figure 13, which provides an extract of the table setting out the rules of origin for Chapters 8, 9 and 10.

Figure 13: Extract of table demonstrating rules of origin for agricultural products

LIST OF PRODUCTS AND WORKING OR PROCESSING OPERATIONS WHICH CONFER ORIGINATING STATUS		
Harmonised System heading	Description of product	Qualifying operation (Working or processing, carried out on non-originating materials, which confers originating status)
Chapter 8	Edible fruit and nuts; peel of citrus fruits or melons	Manufacture in which: — all the fruit, nuts and peels of citrus fruits or melons of Chapter 8 used are wholly obtained, and — the weight of sugar ⁽¹⁾ used does not exceed 40 % of the weight of the final product
Chapter 9	Coffee, tea, maté and spices;	Manufacture from materials of any heading
Chapter 10	Cereals	Manufacture in which all the materials of Chapter 10 used are wholly obtained

Column 1: Chapter no.	Column 2: Product description as in the CN	Column 3: Relevant qualifying operations
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In simple terms, for exporters from Lao PDR, Column 3 states the minimum qualifying operation necessary for a raw agricultural product, not originating from Lao PDR, to be deemed to have originated from Lao PDR for the purposes of the EBA scheme.

For a raw agricultural product to be deemed to have originated from Lao PDR, most chapters require a “Manufacture in which all the materials used are wholly obtained”. Products are wholly obtained when the goods are obtained entirely in the territory of one country without the addition of any non-originating materials. There are, however, a few exceptions to this rule. For example, among products of relevance for exporters from Lao PDR is Chapter 8, which covers “Edible fruits and nuts; peel of citrus fruits or melons”.¹³⁹

To illustrate for Chapter 8:

“Edible fruits and nuts; peel of citrus fruits or melons.”

To be deemed as originating in Lao PDR

1. The fruit, nuts and peels of citrus fruits or melons of Chapter 8 used are wholly obtained – i.e. should be obtained in the territory of Lao PDR; and
2. The weight of sugar used does not exceed 40% of the weight of the final product – which indicates that the weight of non-originating sugar should be within the limit of 40% of the weight of the final product (subject to qualifications set out in the relevant footnote).

Key points to note:

- Given the large number of products falling under the term "agricultural products", this guide does not provide all the relevant rules of origin in the text.
- Exporters are encouraged to use the instructions/explanations provided in this guide – and check the applicable rules of origin for raw agricultural products in Part II of Annex 22-03 of the Commission Delegated Regulation (EU) 2015/2446.¹⁴⁰
- Lao PDR producers should note the exceptions to the rules of origin, namely tolerances and cumulation (as discussed in Section 2.2(ii) above).

Figure 14: Extract from table in Annex 22-04 on materials excluded from regional cumulation

ANNEX 22-04
Materials excluded from regional cumulation ⁽¹⁾ ⁽²⁾

		Group I: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar/Burma, Philippines, Thailand, Vietnam	Group III: Bangladesh, Bhutan, India, Nepal, Pakistan, Sri Lanka	Group IV ⁽³⁾ Argentina, Brazil, Paraguay, Uruguay
0207	Meat and edible meat offal, of the poultry of heading 0105, fresh, chilled or frozen	X		
ex 0210	Meat and edible meat offal of poultry, salted, in brine, dried or smoked	X		
0709 51 ex 0710 80 0710 40 00 0711 51 0712 31	Mushrooms, fresh or chilled, frozen, provisionally preserved, dried Sweetcorn (uncooked or cooked by steaming or boiling in water) frozen	X	X	X
1006	Rice	X	X	
ex 1102 90 ex 1103 19 ex 1103 20 ex 1104 19 ex 1108 19	Flours, groats, meal, pellets, rolled or flaked grains, starch of rice	X	X	

Exclusion from regional cumulation

Regional cumulation refers to a system whereby products originating in a country that is a member of a regional group will be considered as materials originating from another country of the same regional group (or a country of another regional group where cumulation between groups is possible), when further processed or incorporated in a product manufactured there.¹⁴¹

This is important for Lao PDR, as certain raw agricultural products are excluded from regional cumulation.¹⁴² More specifically, products contained within Headings 0207, ex 0210, 070951, ex 0710 80, 0710 40 00, 0711 51, 0712 31, 1006, ex 1102 90, ex 1103 19, ex 1103 20, ex 1104 19 and ex 1108 19 from countries within Group 1 (of which Lao PDR is a part) do not qualify for regional cumulation. This is contained in Annex 22-04 to the Commission Delegated Regulation (EU) No. 2015/2446 (refer Figure 14).

In effect, the products listed in Figure 15, obtained from countries other than Lao PDR, cannot qualify as originating from Lao PDR (even if within the regional cumulation group).

iv. Key regulatory requirements for raw agricultural products

a) Import rules on agricultural products in the EU market

The EU's Common Market Organisation Regulation establishes a common organization of the markets for agricultural products, which means all the products listed in Annex I to the Treaty on the Functioning of the EU, with the exception of fishery and aquaculture products.¹⁴³

The EU's Common Market Organization Regulation establishes, *inter alia*, rules for trade in agricultural products, such as bovines, wine, milk, eggs, and sugar with non-EU countries. For example, the import and export of certain products might require a licence and, generally, import duties could apply on the basis of the EU Common Customs Tariff. In the framework of the import duties, specific rules are laid down for certain products, such as hemp, hops, wine, and sugar for refining.

The European Commission may fix import tariff quotas, which are specific quantitative allowances for goods that can be imported with a reduced customs duty.¹⁴⁴ However, as noted above, under the EBA scheme, Lao PDR exporters benefit from duty-free and quota-free access to the EU market for all agricultural products.

EU import rules for products of animal origin

Common EU rules apply to controls carried out at the borders with respect to imports of animals, products of animal origin, and plants before they may enter the EU territory.

Under the EU's Official Controls Regulation, EU member states are to ensure that official controls are carried out regularly, on a risk basis and with appropriate frequency as to achieve the objectives of the Official Controls Regulation, notably the objectives of preventing, eliminating or reducing to acceptable levels the risks to humans and animals.¹⁴⁵

For animals and goods entering the EU, Chapter V of the Official Controls Regulation provides for the official controls and checks that are performed by EU competent authorities on all food business operators, with the frequency of these checks determined on a risk basis.

Exports to the EU of animals and animal products

The EU maintains a system of **approved establishments** in the case of exports to the EU of animals and animal products. More specifically:

Approved origin for specific category of food of animal origin

The non-EU country (third country) must be approved to export a specific category of food of animal origin and must be on the list of approved non-EU countries for that specific category of food.

Evaluation of the country and competent authority

Before the country is approved and can start to export a category of food of animal origin, an evaluation of the country and its competent authority will be carried out by the health and food audits and analysis office, located in Grange, Ireland (European Commission, Directorate General for Health and Food Safety).

Specific requirements for each category of food products

Specific requirements for each category of food products are specified in Annex III of Regulation (EC) No. 853/2004.

Specific requirements for each category of food products (cont.)

These requirements must be checked and guaranteed by the competent authorities of the non-EU country before an establishment can be listed as an EU-approved establishment.

The competent authorities of the non-EU country also must inform the Commission if an establishment is no longer fulfilling the above-mentioned requirements.

Residue monitoring plan

The non-EU country must have a residue monitoring plan (in accordance with Council Directive 96/23/EC) for the category of food of animal origin and must appear in the list of countries with an approved residue monitoring plan.¹⁴⁶

Salmonella control programme

For food products concerned, the non-EU country must have a salmonella control programme in animal population in accordance with Regulation (EC) No. 2160/2003.

Updated list of establishments

The competent authority is responsible for keeping the lists of establishments up to date and to inform the Commission of any changes necessary.¹⁴⁷

For Lao PDR, currently, only one establishment, namely a processing plant for animal by-products, is listed in the relevant EU document.¹⁴⁸

Official controls are performed on the following categories of animals and goods:

- | Animals.
- | Products of animal origin, germinal products, animal by-products, hay and straw and foodstuffs containing both products of plant origin and processed products of animal origin (composite products).
- | Plants, plant products and other objects as referred to in the lists established pursuant to Articles 72(1) and 74(1) of Regulation (EU) 2016/2031 of the European Parliament of the Council of 26 October 2016 on protective measures against pests of plants.
- | Goods from certain third countries for which the European Commission has decided that a measure requiring a temporary increase of official controls at their entry into the EU is necessary due to a known or emerging risk or because there is evidence that widespread serious non-compliance with the rules referred to in Article 1(2) related to food and food safety might be taking place.
- | Animals and goods that are subject to an emergency measure related to transmissible animal diseases and pests of plants requiring consignments of those animals or goods.¹⁴⁹

Type of controls:

- | Official controls on the above-mentioned categories of animals and goods include documentary checks, identity checks and physical checks.
- | For animals and goods other than those mentioned above, official controls always include a documentary check.¹⁵⁰ Identity checks and physical checks depend on the risk to human, to animal or plant health, to animal welfare or, as regards genetically modified organisms (GMOs) and plant protection products, also to the environment.

Location of checks:

- | Official controls under Chapter V of the Official Control Regulation are carried out at border control posts and other points of entry into the EU.¹⁵¹
- | Further, when EU member states' competent authorities have reason to believe that their entry into the EU could pose a risk to human, animal or plant health, animal welfare or, as regards GMOs and plant protection products, also to the environment, they are to perform official controls on the means of transport, including where empty, and on packaging, including pallets.¹⁵²

EU import rules for products of non-animal origin

The EU import control regime for products of non-animal origin is also governed by the Official Control Regulation.

In general terms, the EU applies four different import control regimes **based upon the perceived risk for EU consumers**:

1. Pre-export checks for products with lowest risk
2. No specific regime
3. Increased controls based on emerging or known risks and as decided by the EU on a case-by-case basis
4. Safeguard measures in case of the highest perceived risk

<p>1. Pre-export checks for products with lowest risk</p>	<ul style="list-style-type: none"> ▪ Pre-export checks are established under Article 73 of the Official Control Regulation ▪ Upon request from a third country, the EC may approve specific pre-export controls that the third country can carry out on consignments prior to export to the EU. ▪ <i>Currently, the only pre-export checks allowed by the EC on the basis of the above-mentioned regulation are:</i> <ul style="list-style-type: none"> - <i>Peanuts and derived products as regards presence of aflatoxins – carried out by the United States of America</i> - <i>Wheat and wheat flour as regards presence of ochratoxin – carried out by Canada.</i>
<p>2. No specific regime</p>	<p>The general rules of the Official Controls Regulation apply.</p>
<p>3. Increased controls based on emerging or known risks and as decided by the EU on a case-by-case basis</p>	<ul style="list-style-type: none"> ▪ The EC decides on a temporary increase of official controls at entry into the EU for certain food and feed of non-animal origin from third countries when there is a known or emerging risk or when there is evidence of widespread serious non-compliance with EU agri-food chain legislation. ▪ A list of these products indicating their Combined Nomenclature (CN) codes is established and maintained in an EU legal instrument,¹⁵³ in accordance with Article 47(2)(b) of the Official Controls Regulation.¹⁵⁴ ▪ The competent EU member states' authorities at border control posts and at control points carry out identity and physical checks, including sampling and laboratory analyses, on consignments of food and feed listed in EU legislation and at a specific frequency.¹⁵⁵ ▪ <i>Currently, no agricultural products from Lao PDR are subject to increased controls. At least biannually, the European Commission reviews the list of products subject to increased controls.</i>
<p>4. Safeguard measures in case of the highest perceived risk</p>	<ul style="list-style-type: none"> ▪ Food and feed of non-animal origin posing a serious risk to public health, which cannot be satisfactorily contained by means of measures taken by the EU member states, is listed in an EU legal instrument and is subject to emergency measures.¹⁵⁶ ▪ EU member states' competent authorities at border control posts and at control points carry out identity and physical checks, including sampling and laboratory analyses in accredited laboratories, on consignments of listed food and feed at the defined frequency.¹⁵⁷ ▪ Each consignment of listed food and feed has to be identified with an identification code and has to be accompanied by the results of samplings and analyses performed by competent authorities of the country of origin. On

4. Safeguard measures in case of the highest perceived risk (cont.)

the basis of the sampling analysis performed, the EU competent authorities determine:

1. Compliance with EU rules on contaminants in foods and on undesirable substances in animal feed for consignments of food and feed listed in Annex II due to contamination risk by mycotoxins;¹⁵⁸
2. Compliance with EU rules on maximum residue levels of pesticides in or on food and feed of plant and animal origin,¹⁵⁹ for consignments of food and feed listed in Annex II due to contamination risk by pesticide residues;
3. That the product does not contain more than 0.01 mg/kg pentachlorophenol (PCP), for consignments of food and feed listed in Annex II due to contamination risk by pentachlorophenol and dioxins; and
4. The absence of salmonella in 25 g, for consignments of food listed in Annex II due to risk of microbiological contamination by salmonella.

- Each consignment of food and feed listed in Annex II to the EU Regulation on the Temporary Increase of Official Controls shall be accompanied by an official certificate in accordance with the model set out in Annex IV to that regulation (official certificate).
- *No product from Lao PDR is currently included in Annexes I and II to Commission Implementing Regulation (EU) 2019/1793 for a temporary increase of official controls or emergency measures. However, exporters from Lao PDR are advised to frequently check the legislation, which is subject to change at least on a biannual basis.*

b) Rules for contaminants in foodstuffs

Contaminants can be present in food as a result of the various stages of its production, packaging, transportation or holding, or might also result from environmental contamination. To ensure a high level of consumer protection, imports into the EU of foodstuffs are required to comply with EU legislation designed to ensure that food placed on the EU market is safe to be consumed and does not contain contaminants at levels that could threaten human health.

Exporters of raw agricultural products from Lao PDR will particularly find relevant Annex 1 to Regulation (EC) No. 1881/2006, which provides eight sections with lists of contaminants and their respective maximum levels. Extracts from this regulation are provided in Figure 15.

EU Law regulates the presence of such contaminants in foodstuffs in the EU.¹⁶⁰

Food containing a contaminant of an amount unacceptable from a public health viewpoint and, in particular, at a toxicological level, is not to be placed on the EU market and will be rejected.

The regulation, in relevant part, provides as follows:

Contaminant levels are to be kept as low as can reasonably be achieved, following recommended good working practices.

Maximum levels can be set for certain contaminants in order to protect public health. More specifically, maximum levels have been established for the following contaminants:¹⁶¹

- Certain mycotoxins (e.g. aflatoxins, ochratoxin A, fusarium-toxins, patulin and citrinin);
- Certain metals (e.g. cadmium, lead, mercury, inorganic tin and arsenic);
- Certain dioxins and polychlorinated biphenyls (PCBs);
- Polycyclic aromatic hydrocarbons (PAH);

- 3-monochloropropane diol;
- Melamine;
- Erucic acid; and
- Certain nitrates

Figure 15: Extracts from Annex 1 to Regulation (EC) No. 1881/2006 listing contaminants and respective maximum levels

ANNEX

Maximum levels for certain contaminants in foodstuffs (9)

Section 2: Mycotoxins

Foodstuffs (1)		Maximum levels (µg/kg)		
▼M5				
2.1.	Aflatoxins	B ₁	Sum of B ₁ , B ₂ , G ₁ and G ₂	M ₁
2.1.1.	Groundnuts (peanuts) and other oilseeds (35), to be subjected to sorting, or other physical treatment, before human consumption or use as an ingredient in foodstuffs, with the exception of: <ul style="list-style-type: none"> — groundnuts (peanuts) and other oilseeds for crushing for refined vegetable oil production 	8,0 (5)	15,0 (5)	—
2.2.	Ochratoxin A			
2.2.1	Unprocessed cereals	5,0		
▼M11				
2.2.2.	All products derived from unprocessed cereals, including processed cereal products and cereals intended for direct human consumption with the exception of foodstuffs listed in 2.2.9, 2.2.10 and 2.2.13	3,0		
▼B				
2.2.3	Dried vine fruit (currants, raisins and sultanas)	10,0		
2.2.4	Roasted coffee beans and ground roasted coffee, excluding soluble coffee	5,0		
2.2.5	Soluble coffee (instant coffee)	10,0		

Section 3: Metals

Foodstuffs (1)		Maximum levels (mg/kg wet weight)
▼M20		
3.1	Lead	
3.1.12	Cereals and pulses	0,20

c) Rules on maximum residue levels

The EU law has a fully harmonized set of rules for pesticide residues, and more specifically sets out maximum residue levels (MRLs) for pesticides in food and feed. Imports of plant and animal products must comply with such MRLs set by the EC to protect consumers from exposure to high levels of pesticide residues.

Defining pesticides: A pesticide is a substance or a compound product that prevents, destroys or controls a harmful organism (pest) or disease, or protects plants or plant products during production, storage and transport. The term includes herbicides, fungicides, insecticides, acaricides, nematocides, molluscicides, rodenticides, growth regulators, repellents, and biocides.

The EU law covers more than 1,100 pesticides currently or formerly used in agriculture in or outside of the EU.

MRL: An MRL is the highest level of a pesticide residue that is legally tolerated in or on food or feed when pesticides are applied correctly and according to Good Agricultural Practices (GAP). *In the EU, MRLs have been established for 315 fresh products and a general default MRL of 0.01 mg/kg applies where an MRL for a pesticide is not specifically mentioned.*

Details of MRLs: The list of products subject to control and corresponding MRLs applicable are set out in the Annexes to Regulation (EC) No. 396/2005.

For further information on MRLs:

More information on the substances and the MRLs included in the lists of Annexes II, III and IV is available on the EU Pesticides Database website.¹⁶²

The annexes are organized as follows:

Annex I

Establishes a list of products to which MRLs apply, which include animal products, fruits, vegetables, cereals, spices and certain edible plants.

Annex II

Contains the list of EU definitive MRLs.

Annex III

Provides the list of EU temporary MRLs.

Annex IV

Provides the list of pesticides for which no MRLs are needed due to their low risk.

Annex V

Contains the list of pesticides for which a default limit other than 0.01 mg per kg applies.

Annex VI

Provides the list of active substance/product combinations, as referred to in Article 18(3) of Regulation (EC) No. 396/2005 of the European Parliament and of the Council of 23 February 2005 on maximum residue levels of pesticides in or on food and feed of plant and animal origin.

Annex VII

Contains a list of pesticides used as fumigants for which EU member states are allowed to apply special derogations before the products are placed on the market.

d) Rules on plant protection and phytosanitary checks

Exporters of raw agricultural products from Lao PDR to the EU could be subject to the measures included in EU rules on protective measures against the introduction into the EU of organisms harmful to plants or plant products and against their spread within the EU.¹⁶³

The following aspects are of relevance for exporters from Lao PDR:

i. Phytosanitary certificate

- All plants (including living parts of plants) must be accompanied by a **phytosanitary certificate** to enter the EU unless they are listed in an EU legal instrument as exempted from this general requirement.¹⁶⁴

- | The phytosanitary certificate aims to guarantee that plants, plant products and other objects are:
 - Properly inspected;
 - Free from quarantine pests, within the requirements for regulated non-quarantine pests and practically free from other pests; and
 - In line with the EU's plant health requirements.¹⁶⁵
- | The phytosanitary certificate is issued by the exporting country's national plant protection authority. Once in the EU, a plant passport can replace the phytosanitary certificate for imported plants, plant products and other objects, which are listed in EU law.¹⁶⁶
- | No phytosanitary certificate is required for the import into the EU of the following fruits: pineapples, bananas, coconuts, durians and dates.¹⁶⁷

ii. High-risk plants

Increased prevention measures are underway against the introduction of new pests via imports from third countries and, on that note, the EU law establishes a list of high-risk plants, the introduction of which into the EU territory is provisionally prohibited from 14 December 2019 until a full risk assessment has been carried out.

iii. Plant passport and register

EU law establishes an EU plant passport and a register of professional operators and harmonized rules on traceability.

iv. Compulsory health checks

All plants and plant products imported from non-EU countries are subject to compulsory health checks.

Type of checks:

- | Verification of phytosanitary certificates and documents to ensure that consignments meet the EU requirements.
- | Verification of the identity to ensure that the consignment corresponds to the certificate.
- | Inspections of the consignments to ensure the consignment is free from harmful organisms.

Location and fees:

- | Identity and plant health checks (excluding the documentary check) can be carried out at the place of origin with the agreement of the plant health authorities responsible for the point of entry and the point of destination. This procedure is allowed only if the importer has previously been approved by the EU authorities.
- | EU member states collect a fee for the documentary, identity and plant health checks to be paid by the importer or their customs representative.¹⁶⁸

Scope for reduced health checks:

- | There are EU rules for reduced health checks for certain plants.¹⁶⁹
- | According to EU legislation, for the period between 1 February 2020 and 31 December 2020, 65 products were recommended for reduced plant health checks by the European Commission.¹⁷⁰
- | None of the products included on the list originate from Lao PDR. However, the list recommends reduced health checks for products from all countries of origin, which means that those plants, plant products and other objects originating from Lao PDR can benefit from this simplified import regime.

Strict rules apply in special cases:

- | Some commodities originating from non-EU countries are prohibited for introduction within the whole EU.¹⁷¹
- | Some commodities originating from non-EU countries are prohibited in defined protected zones of the EU.¹⁷²
- | Some commodities originating in non-EU countries and classified as high-risk plants, and plants products are provisionally banned from introduction within the entire EU.¹⁷³
- | A letter of authorization is required for plants, plant products or other objects for trial or scientific purposes or for work on varietal selections.¹⁷⁴

Raw agricultural products

- | Exporters from Lao PDR must be aware that further special rules could apply under specific conditions and for a limited time under EU law.¹⁷⁵

Specific regulations for Lao exporters at the Lao PDR border

In addition to the above, Lao PDR's exporters should also be aware of the regulations governing its exports to the EU that can impact on its exports to the EU (see Table 17).

Table 17: Lao PDR's export regulations on agricultural products to the EU

Ministry of Agriculture and Forestry notification on increasing attention in certifying phytosanitary and agricultural products of Lao PDR to export to the European Union – No. 1046/DOA, 26 May 2016 ¹⁷⁶	Stipulates that all plants and agricultural products of Lao PDR to be exported to the EU must register their garden cultivation/farm, packaging house and export companies with the Agriculture Section under the Provincial Department of Agriculture and Forestry.
Notification regarding the inspection of seal locks for exporting wooden products, minerals, agricultural products and general goods - No. 10036/DC of 11 December 2019 ¹⁷⁷	In case of an irregularity regarding the security seal, be it damaged, broken or suspicious, and if the source of information is reliable, the border customs officer is to collaborate with the relevant sector or the goods inspection committee at the place of origin or the border checkpoint management where the goods were exported, the product owner, the transporter or the authorized person to meet, remove the security seal and inspect the goods together.
Notification on Sanitary and Phytosanitary Measures (SPS) for EU countries, No. 0612 /DOA ¹⁷⁸	This notification provides that plants must be free from pests, including moloch, Blanchard, Bemisia tabaci Genn and Thrips palmi Karny.
Notification on emergency measures on the issuance of phytosanitary certificate for the export of vegetables to an EU member state No. 0140/DOA. ¹⁷⁹	Temporarily suspends the issuance of phytosanitary certificates for the export of vegetables to an EU member state due to problems identified through an investigation according to ISPM No. 13 and the issuance of a corrective measure by the Department of Agriculture (DOA).

v. Labelling of raw agricultural products

a) Marketing standards for certain fruits and vegetables

While there are no general labelling requirements, EU legislation provides for detailed rules for the marketing of fruits and vegetables that are contained in marketing standards for specific fruits and vegetables.¹⁸⁰ Specific marketing standards exist for apples, citrus fruit, kiwifruit, lettuces, curled leaved and broad-leaved endives, peaches and nectarines, pears, strawberries, sweet peppers, table grapes and tomatoes.¹⁸¹

The EU's marketing standards for fruits and vegetables also contain rules on packaging and labelling. Notably, the required information must be clearly legible and visible on one side of the packaging, except in case of goods shipped in bulk and in the event of distance contracts, for which different rules apply.¹⁸²

With regard to retail, the required information must be legible and conspicuous, indicating the country of origin and the class and variety of the products so as to avoid misleading the consumer.¹⁸³

The rules vary depending on the specific fruit or vegetable, but typically include the following:

- | The produce must be packed in such a way as to protect the produce properly.
- | The materials used inside the package must be clean and of a quality such as to avoid causing any external or internal damage to the produce. The use of materials, particularly of paper or stamps, bearing trade specifications is allowed, provided the printing or labelling has been done with non-toxic ink or glue.
- | Stickers individually affixed to the produce shall be such that, when removed, they neither leave visible traces of glue, nor lead to skin defects. Information lasered on single fruit should not lead to flesh or skin defects.

Figure 16: EU plant passport

1 Name and address of exporter <input type="checkbox"/>		2 PHYTOSANITARY CERTIFICATE No EC / /	
3 Declared name and address of consignee		4 Plant protection organisation of to plant protection organisation(s) of	
		5 Place of origin	
6 Declared means of conveyance			
7 Declared point of entry			
8 Distinguishing marks: number and description of packages; name of produce; botanical name of plants		9 Quantity declared	
10 This is to certify that the plants or plant products described above: — have been inspected according to appropriate procedures, and — are considered to be free from quarantine pests, and practically free from other injurious pests, and — are considered to conform with the current phytosanitary regulations of the importing country			
11 Additional declaration			
DISINFESTATION AND/OR DISINFECTION TREATMENT		Place of issue	
12 Treatment		Date	
13 Chemical (active ingredient)		Name and signature of authorised officer	
14 Duration and temperature		Stamp of organisation	
15 Concentration		16 Date	
17 Additional information			

b) Marketing standards for certain fruits and vegetables

While there are no general labelling requirements, EU legislation provides for detailed rules for the marketing of fruits and vegetables that are contained in marketing standards for specific fruits and vegetables.¹⁸⁴ Specific marketing standards exist for apples, citrus fruit, kiwifruit, lettuces, curled leaved and broad-leaved endives, peaches and nectarines, pears, strawberries, sweet peppers, table grapes and tomatoes.¹⁸⁵

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- | Stickers individually affixed to the produce shall be such that, when removed, they neither leave visible traces of glue, nor lead to skin defects. Information lasered on single fruit should not lead to flesh or skin defects.

c) General information required on labels

In case the agricultural products are supposed to be made available to consumers without any further processing, specific labelling rules apply in accordance with the EU Food Information Regulation. Article 9, as well as Articles 10–35 of the EU Food Information Regulation **labels of foodstuffs** intended to be placed on the EU market must contain the following elements:

Details of the product

Name under which product is sold

- No trademark, brand name or fancy name can substitute the generic name, but rather it can be used in addition to the generic name.
- Particulars as to the physical condition of the foodstuff or the specific treatment it has undergone (**e.g.** powdered, freeze-dried, deep-frozen, concentrated, smoked, irradiated or treated with ionizing radiation) must be included where the omission of such could confuse the consumer.

EU contact details

- The name or business name and address of the manufacturer, packager or importer established in the EU.

Origin details

- The country of origin or place of provenance where provided for in Article 26 of the EU Food Information Regulation.
-

vi. Specific rules with respect to organic products

a) General rules governing organic products

General rules concerning organic agricultural products are covered under Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products.¹⁸⁸

Products from non-EU countries can be sold on the EU market as organic, as long as they comply with relevant EU legislation and if they have been subject to control and if equivalence with the applicable rules of that third country has been recognized by the EU.¹⁸⁹ This control can be carried out by a body recognized by the EU or, in some cases, by a body in the country of origin.

EU rules on organic farming cover every stage of the production process

This means that the rules apply for all stages from seeds to the final processed food. More specifically, the rules apply to:

- | Live or unprocessed agricultural products, including seeds and other plant reproductive material;
- | Processed agricultural products for use as food.

Annex I to Regulation (EU) 2018/848 provides a list of products other than those established in Article 2(1) that can also be certified as organic, introducing a novelty compared to the previous EU organic products regulation. The list includes, *inter alia*, yeasts, maté, vine leaves, palm hearts, hop shoots, silkworm cocoon, natural gums and resins, essential oils, cork stoppers, raw cotton, raw wool, raw hides and plant-based traditional herbal preparations.

Organic production excludes products from fishing and hunting from wild animals, but includes harvest of wild plants when certain natural habitat conditions are respected.¹⁹⁰ Specific rules are established for aquaculture.

Key principles governing organic production in the EU

Rules governing organic production in the EU are based on a number of key principles, including:

- | The prohibition of use of genetically modified organisms (GMOs);¹⁹¹
- | The prohibition of use of ionizing radiation;¹⁹²
- | The limitation of use of artificial fertilizers, herbicides and pesticides;¹⁹³
- | The prohibition of use of hormones and restriction of use of antibiotics when it is necessary for animal health.¹⁹⁴

This means that organic producers need to adopt different approaches to maintaining soil fertility and animal and plant health, which can include:

- | Crop rotation;¹⁹⁵
- | Tillage and cultivation practices that maintain or increase soil fertility;¹⁹⁶
- | The prohibition of use of mineral nitrogen fertilizers;¹⁹⁷
- | The choice of resistant varieties and breeds as well as techniques encouraging natural pest and weeds control;¹⁹⁸
- | Encouraging the natural immunological defence of animals;¹⁹⁹
- | The prevention of overstocking.²⁰⁰

Specific rules for marketing livestock as organic in the EU

Specific rules are also established for farmers wishing to market livestock as organic in the EU, including:

- | Non-organically raised animals cannot be brought onto holdings, unless for breeding purposes and they only comply with specific rules (Point 1.3.4. of Part II of Annex II to Regulation (EU) 2018/848);

Raw agricultural products

- | The feed should primarily be obtained from the farm where the animals are kept or from farms in the same region;²⁰¹
- | Cloning animals and/or transferring embryos is strictly forbidden;²⁰²
- | Growth promoters and synthetic amino acids are prohibited;²⁰³
- | Suckling mammals must be fed with natural, preferably maternal, milk;²⁰⁴
- | Natural methods of reproduction must be used. However, artificial insemination is allowed;²⁰⁵
- | Non-organic feed materials from plant origin, feed materials from animal and mineral origin, feed additives, certain products used in animal nutrition and processing aids are only to be used if they have been specifically authorized for use in organic production; and²⁰⁶
- | Must abide by certain animal welfare principles as noted below:
 - Personnel keeping animals must possess the necessary basic knowledge and skills as regards the health and the welfare needs of the animals;²⁰⁷
 - Particular attention should be paid to housing conditions, husbandry practices and stocking densities;²⁰⁸
 - The number of livestock must be limited to minimizing overgrazing, erosion or pollution caused by animals or by the spreading of their manure;²⁰⁹
 - Animals are to have, whenever possible, access to open air or grazing areas;²¹⁰
 - Tethering or isolating livestock is prohibited aside from individual animals for a limited period of time and only for welfare, safety or veterinary reasons;²¹¹
 - Hormones or similar substances are not permitted, unless as a form of veterinary therapeutic treatment for an individual animal;²¹²
 - When the animals are ill, allopathic veterinary medicinal products, including antibiotics, can be used where necessary and under strict conditions. This is only allowed when the use of phytotherapeutic, homeopathic and other products is inappropriate;²¹³ and
 - The use of immunological veterinary medicines is permitted.²¹⁴

Substances used to fight pests or plant diseases to be pre-approved

- | Any substance used in organic agriculture to fight pests or plant diseases must be pre-approved by the European Commission.²¹⁵
- | Further details are provided by Commission Regulation (EC) 889/2007 of 5 September 2008 laying down detailed rules for the implementation of Council Regulation (EC) No. 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control.²¹⁶
- | The rules contained therein guide the approval of external inputs such as fertilizers, pesticides and food additives so that only substances and compounds listed as approved in specific legislation can be used in organic productions.

b) Labelling organic products

The EU's organic logo can be used by producers wishing to export their goods into the EU when the products comply with the EU rules on the import of organic goods.²¹⁷ Article 33(1) of Regulation (EU) 2018/848 allows the use of the EU's organic logo.

The logo must be displayed according to the following rules:

- | The logo must not be smaller than 13,5 mm by 9 mm. In the case of very small packaging where this is not possible, 9 mm by 6 mm is permitted.
- | The logo must be displayed in the standard green and white colour scheme or in black and white if it is not possible to apply it in colour.
- | If the background colour of the label or of the packaging is dark, the symbols can be used in negative format.
- | If the logo is used in colour on a coloured background that renders it difficult to see, a delimiting line can be placed around the logo.



- | If there is only one colour on the packaging, the organic logo can be used in that one colour.
- | The logo may not be stylized (for example, by making the background transparent or adding 3D effects).

Further information on how the organic logo must be displayed is provided in the user manual on the organic logo published by the European Commission.²¹⁸

c) Exporting organic products to the EU

- | Products from a third country can be sold in the EU as organic when they comply with production and control rules of the non-EU country recognized under a trade agreement as equivalent to those in the EU;²¹⁹ and
- | Products from a third country can be sold in the EU as organic when they are accompanied by a certificate issued by the relevant control authorities or control bodies in non-EU countries confirming that the product complies with EU standards.²²⁰

vii. Further information/key contacts

For further information, businesses can refer to the following entities/institutions based in the EU:

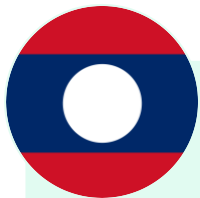
Institution	Description	Contact details
Animal-healthEurope	AnimalhealthEurope is an association representing manufacturers of animal medicines, vaccines and other animal health products in Europe. It is a not-for-profit body representing both corporate members and national animal health associations in Europe. It represents innovators and generics as well as small, medium and large enterprises. AnimalhealthEurope's members cover 90% of the European market for animal health products.	Avenue de Tervueren 68 1150 Brussels Belgium Phone: +32 2 543 75 60 E-mail: info@animalhealtheu- rope.eu Website: www.animal- healtheupe.eu
Copa and Cogeca	Copa and Cogeca represents farmers and their cooperatives in the EU. Copa represents more than 23 million farmers and Cogeca represents more than 22.000 EU agricultural cooperatives.	Rue de Trèves 61 1040 Brussels Belgium Phone: +32 2 287 27 11 E-mail: mail@copa-cogeca.eu Website: www.copa-co- geca.eu
European Liaison Committee for Agricultural and Agri-Food Trade (CELCAA)	CELCAA is the umbrella organization representing associations and companies active in the sector of agricultural and agrifood trading at European level. CELCAA-affiliated members include cooperative and non-cooperative wholesale traders (collectors, distributors, storers, importers and exporters) delivering agricultural and agrifood products such as feed materials and compound feed as well as raw materials to food business operators. CELCAA promotes the interests of the European agricultural and agrifood traders at the EU level. CELCAA represents sectoral interests before	Rue de Tamines 10 1060 Brussels Belgium Phone: +32 2 537 37 11 E-mail: p.rouhier@celcaa.eu Website: www.celcaa.eu

Institution	Description	Contact details
European Liaison Committee for Agricultural and Agri-Food Trade (CELCAA) (cont.)	EU institutions, as well as other associations representing other sectors of the food supply chain.	
COCERAL	COCERAL is the European association representing the trade in cereals, rice, feedstuffs, oilseeds, olive oil, oils and fats and agro supply. COCERAL is the voice of collectors, distributors, exporters, importers and agri-bulk storers of the above-mentioned commodities.	Rue Montoyer 23 1000 Brussels Belgium Phone: +32 2 502 08 08 E-mail: secretariat@coceral.com Website: www.coceral.com
European Crop Protection Association (ECPA)	The European Crop Protection Association represents the crop protection industry in the EU. It promotes innovation and science-based solutions in the crops industry for a safe, affordable, healthy and sustainable food supply. The ECPA promotes modern farming practices and supports the use of crop protection technology as a primary source for the sustainable intensification of agriculture. The association advocates a sustainable use of pesticides in the EU, encouraging management practices that safeguard harvests, human health and the environment.	Rue Guimard 9 1040 Brussels Belgium Phone: +32 2 663 15 50 E-mail: ecpa@ecpa.eu Website: www.ecpa.eu
European Forum of Farm Animal Breeders (EFFAB)	The EFFAB gathers organizations and companies active in the field of animal breeding and reproduction. The members of EFFAB are involved in the genetic improvement of farm animal species such as ruminants, pigs, poultry, fish and shellfish. The EFFAB represents animal breeding and reproduction organizations and companies in Europe.	Rue de Trèves 61 1040 Brussels Belgium Phone: +32 2 725 34 30 E-mail: effab@effab.info Website: www.effab.info
Euroseeds	Euroseeds is the voice of the European seed industry, representing the interests of those active in research, breeding, production and marketing of seeds of agricultural, horticultural and ornamental plant species.	Avenue des Arts 52 1000 Brussels Belgium Phone: +32 2 743 28 60 E-mail: secretariat@euroseeds.eu Website: www.euroseeds.eu
European Feed Manufacturers' Federation (FEFAC)	FEFAC represents the European compound feed industry, gathering 25 national associations in 24 EU member states as well as associations in Switzerland, Turkey, Serbia, the Russian Federation and Norway with observer/associate member status.	FEFAC aisbl Rue de la Loi, 223 1040 Brussels Belgium Phone: +32 2 285 00 50 Website: www.fefac.eu

Institution	Description	Contact details
<p>EU Association of Specialty Feed Ingredients and their Mixtures (FEFANA)</p>	<p>FEFANA represents the specialty feed ingredients business in the EU. FEFANA's membership comprises manufacturers and traders of feed additives, functional feed ingredients, pre-mixtures and other mixtures of specialty ingredients that enter the food chain via feed.</p>	<p>FEFANA asbl Rue de Trèves 45 1040 Brussels Belgium</p> <p>Phone: +32 (0)2 639 66 60 E-mail: info@fefana.org Website: www.fefana.org</p>
<p>Fertilizers Europe</p>	<p>Fertilizers Europe represents the majority of fertilizer producers in Europe and is recognized as the dedicated organization for sources of information on mineral fertilizers. It communicates with EU institutions and with a wide variety of institutions seeking information on several agricultural, environmental and economic sectors. The association's membership comprises 17 fertilizer manufacturers from countries across the EU and eight national fertilizer associations.</p>	<p>Fertilizers Europe asbl, Avenue des Nerviens 9-31 1040 Brussels, Belgium</p> <p>Phone: +32 2 675 35 50 E-mail: main@fertilizer-seurope.com Website: www.fertilizer-seurope.com</p>

3.4 PROCESSED FOOD PRODUCTS

i. Main steps for exporting processed food products to the EU



Comply with the steps required in Lao PDR

- | Register the enterprise in accordance with specified procedures.
- | Prepare export documents.
- | Request and obtain an export permit.
- | Fill out the ASYCUDA forms for customs clearance.
- | Check legal notifications pertaining to specific aspects relating to the export (e.g., sanitary and phytosanitary measures), and relating to specific products.



Comply with the importing requirements of the EU

- | Check and ensure compliance with the applicable rules of origin.
- | Ensure registration with the EU's Registered Exporter (REX) system.
- | Request and obtain a phytosanitary certificate for plant-based products.



Comply with any product-specific rules that apply to products to be placed on the EU market:

- | Check applicable import regimes for products of non-animal origin.
- | Check the EU rules for establishments for products of animal origin.
- | Check the EU maximum residue levels for relevant contaminant.
- | Check the relevant EU rules on plant protection and maximum residue levels.
- | Check special rules, for example, for organic products.
- | Check for the relevant labelling requirements.

ii. Context

In 2019, Lao PDR exports of “Foodstuffs, beverages, and tobacco” from Lao PDR to the EU amounted to €35 million, representing 12.2% of its total exports to the EU.²²¹ “Foodstuffs and beverages” is the second-highest set of exports from Lao PDR to the EU. Processed food products cover the chapters under the Commission Delegated Regulation (EU) 2015/2446 shown in Table 18.

Specific entries that are considered as agricultural products are excluded. For example, in the case of Chapter 17, products falling under CN Code Heading 1701, “*Beet sugar and cane sugar, solid*” are considered agricultural products and, in case of Chapter 24, “*Tobacco and manufactured tobacco substitutes*”, products falling under CN Code Heading 2401, “*Unmanufactured tobacco and tobacco refuse*”, are considered agricultural products. (For the full list of agricultural products – refer to Annex I to the Treaty on the Functioning of the EU.²²²)

There are large markets already exporting processed food products to the EU market. Table 19 provides an overview of the large markets exporting products under some of the chapters noted above, and Lao PDR exports in this sector. ITC analysis indicates that export potential still appears to exist for a number of specialty products, as well as for frozen or dried vegetables.²²³

Table 18: Processed food products and corresponding chapters

Chapter 15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes
Chapter 17	Sugars and sugar confectionery
Chapter 18	Cocoa and cocoa preparations
Chapter 21	Miscellaneous edible preparations
Chapter 22	Beverages, spirits and vinegar
Chapter 24	Tobacco and manufactured tobacco substitutes

Table 19: Key countries of origin of exports and Lao PDR’s exports to the EU in 2019²²⁴

HS chapter	Sector	Country	Import value to the EU (Euro)
Chapter 21	Miscellaneous edible preparations	United States	827,812,156
		Switzerland	650,498,770
		China	369,138,926
		Thailand	277,401,206
		Lao PDR	1,152
Chapter 22	Beverages, spirits and vinegar	United States	1,450,552,714
		Switzerland	743,483,430
		Chile	591,479,831
		Lao PDR	119,342
Chapter 24	Tobacco and manufactured tobacco substitutes	Brazil	543,296,321
		United States	262,522,205
		Malawi	234,001,648
		Lao PDR	876,438

Processed food products

Key EU markets for Lao PDR include France, the Netherlands and Slovenia.

Table 20: Lao PDR exports to the world and to certain EU member states in 2019²²⁵

HS chapter	Sector	Lao PDR's overall exports to all destinations (in USD)	Exports to EU member states (in USD)	
Chapter 21	Miscellaneous edible preparations	5,344,000	N/A	
Chapter 22	Beverages, spirits and vinegar	250,476,000	UK	93,000
			France	65,000
Chapter 24	Tobacco and manufactured tobacco substitutes	84,680,000	Netherlands	747,000
			Slovenia	601,000
			Spain	61,000

In the EU, the agrifood sector is highly regulated. Therefore, exporters from Lao PDR need to take significant steps to ensure relevant technical and regulatory requirements are met, particularly if sustainability and organic production requirements are taken into account.

iii. Technical rules applicable to processed food products

a) Tariffs for processed food products under the EBA

Under the EU's EBA scheme, all processed food products enter the EU duty free.

b) Rules of origin requirements for processed food products from Lao PDR

As explained in Section 2.2(ii), the rules of origin under the GSP Regulation note that, to benefit from the tariff preferences, the products for which the tariff preferences are **claimed must originate in a beneficiary country**.²²⁶ The product is deemed to originate from the beneficiary country when the products have been wholly obtained in that country or are sufficiently worked or processed in that country.

The rules of origin requirements for processed food products are laid out in Part II of Annex 22-03 of Commission Deleted Regulation (EU) 2015/2446.²²⁷

Annex 22-03 is organized into three columns, as demonstrated in Figure 17, which provides an extract of the table setting out the rules of origin for Chapters 15.

Figure 17: Extract from table in Annex 22-03 on rules of origin for processed food products

LIST OF PRODUCTS AND WORKING OR PROCESSING OPERATIONS WHICH CONFER ORIGINATING STATUS		
Harmonised System heading	Description of product	Qualifying operation (Working or processing, carried out on non-originating materials, which confers originating status)
ex Chapter 15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes; except for:	Manufacture from materials of any sub-heading, except that of the product
1505, 1506 and 1520	Wool grease and fatty substances derived therefrom (including lanolin). Other animal fats and oils and their fractions, whether or not refined, but not chemically modified.. Glycerol, crude; glycerol waters and glycerol lyes.	Manufacture from materials of any heading
1509 and 1510	Olive oil and its fractions	Manufacture in which all the vegetable materials used are wholly obtained
1516 and 1517	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified or elaidinised, whether or not refined, but not further prepared Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this Chapter, other than edible fats or oils or their fractions of heading 1516	Manufacture from materials of any heading, except that of the product, in which the weight of all the materials of Chapter 4 used does not exceed 40 % of the weight of the final product
Column 1: Chapter no.	Column 2: Product description as in the CN	Column 3: Relevant qualifying operations

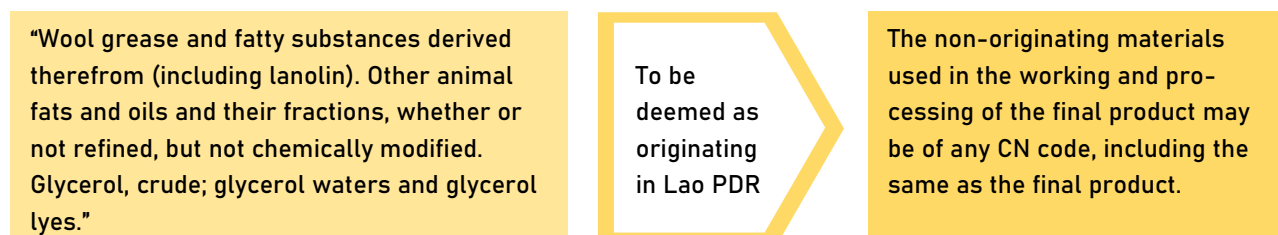
In simple terms, for exporters from Lao PDR, Column 3 states the minimum qualifying operation necessary for a material not originating from Lao PDR to be deemed to have originated from Lao PDR for the purposes of the EBA scheme.

To illustrate further:

Headings 1501–1514:



Although, in the case of Headings 1505, 1506 and 1520:



Processed food products

Accordingly, producers in Lao PDR will need to review the chapters covering processed food products in Annex 22-03 in the above-mentioned regulation, and identify the type of working and processing that should be undertaken in order for the final product to

be deemed as originating from Lao PDR. Table 21 summarises these requirements for Chapters 15, 17, 21, 22 and 24 covering processed food products (as set out in Annex 22-03 of the Commission Delegated Regulation (EU) 2015/2446).²²⁸

Table 21: Rules of origin for processed food products as set out in Annex 22-03

Chapter no.	Description of product	Qualifying operation (working or processing, carried out on non-originating materials, which confers originating status)
Ex Chapter 15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes; except for	Manufacture from materials of any subheading, except that of the product
1505, 1506 and 1520	Wool grease and fatty substances derived therefrom (including lanolin). Other animal fats and oils and their fractions, whether or not refined, but not chemically modified. Glycerol, crude; glycerol waters and glycerol lyes.	Manufacture from materials of any heading
1509 and 1510	Olive oil and its fractions	Manufacture in which all the vegetable materials used are wholly obtained
1516 and 1517	Animal or vegetable fats and oils and their fractions, partly or wholly hydrogenated, inter-esterified, re-esterified relaidinized, whether or not refined, but not further prepared. Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this chapter, other than edible fats or oils or their fractions of Heading 1516.	Manufacture from materials of any heading, except that of the product, in which the weight of all the materials of Chapter 4 used does not exceed 40% of the weight of the final product
Ex Chapter 17	Sugars and sugar confectionary; except for	Manufacture from materials of any heading except that of the product
Ex 1702	Other sugars, including chemically pure lactose and glucose, in solid form; sugar syrups; artificial honey, whether or not mixed with natural honey; caramel.	Manufacture from materials of any heading, except that of the product, in which the weight of the materials of Headings 1101 to 1108, 1701 and 1703 used does not exceed 30% of the weight of the final product.
Ex 1702	Chemically pure maltose and fructose	Manufacture from materials of any heading including other materials of Heading 1702

Chapter no.	Description of product	Qualifying operation (working or processing, carried out on non-originating materials, which confers originating status)
1704	Sugar confectionery (including white chocolate), not containing cocoa	Manufacture from materials of any heading, except that of the product, in which: <ul style="list-style-type: none"> ▪ The individual weight of sugar (1) and of the materials of Chapter 4 used does not exceed 40% of the weight of the final product; and ▪ The total combined weight of sugar (1) and the materials of Chapter 4 used does not exceed 60% of the weight of final product.²²⁹
Ex Chapter 21	Miscellaneous edible preparations; except for:	Manufacture from materials of any heading, except that of the product, in which: <ul style="list-style-type: none"> ▪ The individual weight of sugar(1) and of the materials of Chapter 4 used does not exceed 40% of the weight of the final product; and ▪ The total combined weight of sugar (1) and the materials of Chapter 4 used does not exceed 60% of the weight of the final product.²³⁰
2103	Sauces and preparations thereof; mixed condiments and mixed seasons; mustard flour and meal and prepared mustard	
	Sauces and preparations thereof; mixed condiments and mixed seasonings Mustard flour and meal and prepared mustard.	Manufacture from materials of any heading, except that of the product. However, mustard flour or meal or prepared mustard can be used. Manufacture from materials of any heading
Chapter 22	Beverages, spirits and vinegar	Manufacture from materials of any heading, except that of the product and Headings 2207 and 2208, in which: <ul style="list-style-type: none"> ▪ All the materials of subheadings 0806 10, 2009 61, 2009 69 used are wholly obtained; and ▪ The individual weight of sugar and of the materials of Chapter 4 used does not exceed 40% of the weight of the final product; and ▪ The total combined weight of sugar and the materials of Chapter 4 used does not exceed 60% of the weight of the final product.
Ex Chapter 24	Tobacco, and manufactured tobacco substitutes	Manufacture from materials of any heading in which the weight of materials of Chapter 24 used does not exceed 30% of the total weight of materials of Chapter 24 used.
2401	Unmanufactured tobacco; tobacco refuse	All unmanufactured tobacco and tobacco refuse of Chapter 24 is wholly obtained.

Chapter no.	Description of product	Qualifying operation (working or processing, carried out on non-originating materials, which confers originating status)
2402	Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes	Manufacture from materials of any heading, except that of the product of Heading 2403, and in which the weight of materials of Heading 2401 used does not exceed 50% of the total weight of materials of Heading 2401 used.

Key points to note:

- | Exporters are encouraged to use the instructions/explanations provided in this guide to identify and understand the applicable rules of origin for processed food products in Part II of Annex 22-03 of the Commission Delegated Regulation (EU) 2015/2446.²³¹
- | Lao PDR producers should note the exceptions to the rules of origin, namely tolerances and cumulation (as discussed in Section 2.2(ii) above).

Exclusion from regional cumulation

Regional cumulation refers to a system whereby products originating in a country that is a member of a regional group will be considered as materials originating from another country of the same regional group (or a country of another regional group where cumulation between groups is possible), when further processed or incorporated in a product manufactured there.²³² This is important for Lao PDR, as certain processed food products are excluded from regional cumulation.²³³ These products are set out in Annex 22-04 of the Commission Delegated Regulation (EU) No. 2015/2446 (refer to Figure 18). In effect, the products listed in Figure 18 cannot qualify as originating from Lao PDR, even if drawn from countries other than Lao PDR (even if within the regional cumulation group).

Figure 18: Extract of table from Annex 22-04 detailing products excluded from regional cumulation

		Group I: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar/Burma, Philippines, Thailand, Vietnam	Group III: Bangladesh, Bhutan, India, Nepal, Pakistan, Sri Lanka	Group IV ⁽³⁾ : Argentina, Brazil, Paraguay, Uruguay
ex 2101 12	Preparations with a basis of coffee	X	X	X
ex 2101 20	Preparations with a basis of tea or maté	X	X	X
2106 90 92 2106 90 98	Food preparations not elsewhere specified, other than protein concentrates and textured protein substances and than compound alcoholic preparations (other than those based on odoriferous substances) of a kind used for the manufacture of beverages and other than flavoured or coloured sugar syrups	X	X	X
3302 10 29	Preparations of a kind used in the drink industries containing all flavouring agents characterising a beverage, other than of an actual alcoholic strength by volume exceeding 0,5 %, containing, by weight, more than 1,5 % milkfat, 5 % sucrose or isoglucose, 5 % glucose or starch	X	X	X
3505 10	Dextrins and other modified starches	X	X	X

iv. Key regulatory requirements for processed food products exports

a) Import rules on processed food products in the EU market

Processed agricultural products (PAPs) are often called “Non-Annex I goods”, differentiating them from the agricultural products listed in Annex I to the Treaty on the Functioning of the EU (TFEU). PAPs are listed in EU law and include products such as chocolate, confectionary, sweet drinks, beers, spirits, biscuits and bakery products.²³⁴

With respect to imports into the EU, the vast majority of agricultural and food products are not subject to mandatory controls. There are, however, certain rules that Lao PDR's traders should be aware of governing exports of products of animal and non-animal origin.

1. EU import rules for products of animal origin

Common EU rules apply to controls carried out at the borders with respect to imports of animals, products of animal origin and plants before they can enter EU territory. Under the EU's Official Controls Regulation, EU member states are to ensure that official controls are carried out regularly, on a risk basis and with appropriate frequency as to achieve the objectives of the Official Controls Regulation, notably the objectives of preventing, eliminating or reducing to acceptable levels the risks to humans and animals.²³⁵

For animals and goods entering the EU, Chapter V of the Official Controls Regulation provides for the official controls and checks to be performed by the EU's competent authorities on all food business operators, with the frequency of these checks determined on a risk basis.

Exports to the EU of animals and animal products

The EU maintains a system of **approved establishments** in the case of exports to the EU of animals and animal products.

More specifically:

Specific category of food of animal origin must be approved	The non-EU country (third country) must be approved to export a specific category of food of animal origin and must be on the list of approved non-EU countries for that specific category of food.
Evaluation of the country and competent authority	Before the country is approved and can start to export a category of food of animal origin, an evaluation of the country and its competent authority will be carried out by the health and food audits and analysis office, located in Grange, Ireland (European Commission, Directorate General for Health and Food Safety).
Specific requirements for each category of food products	Specific requirements for each category of food products are specified in Annex III of Regulation (EC) No. 853/2004. <i>These requirements must be checked and guaranteed by the competent authorities of the non-EU country before an establishment can be listed as an EU-approved establishment.</i> <i>The competent authorities of the non-EU country must also inform the Commission if an establishment is no longer fulfilling the above-mentioned requirements.</i>
Residue monitoring plan	The non-EU country must have a residue monitoring plan (in accordance with Council Directive 96/23/EC) for the category of food of

animal origin and must appear on the list of countries with an approved residue monitoring plan.²³⁶

Salmonella control programme

For food products concerned, the non-EU country must have a salmonella control programme in the animal population in accordance with Regulation (EC) No. 2160/2003.

Updated list of establishments

The competent authority is responsible for keeping the lists of establishments up to date and to inform the Commission of any changes necessary.²³⁷

For Lao PDR, currently, only one establishment, namely a processing plant for animal by-products, is listed in the relevant EU document.²³⁸

Official controls are performed on the following categories of animals and goods

- | Animals.
- | Products of animal origin, germinal products, animal by-products, hay and straw and foodstuffs containing both products of plant origin and processed products of animal origin (composite products).
- | Plants, plant products and other objects as referred to in the lists established pursuant to Articles 72(1) and 74(1) of Regulation (EU) 2016/2031 of the European Parliament of the Council of 26 October 2016 on protective measures against pests of plants.
- | Goods from certain third countries for which the European Commission has decided that a measure requiring a temporary increase of official controls at their entry into the EU is necessary due to a known or emerging risk or because there is evidence that widespread serious non-compliance with the rules referred to in Article 1(2) related to food and food safety might be taking place.
- | Animals and goods that are subject to an emergency measure related to transmissible animal diseases and pests of plants requiring consignments of those animals or goods.²³⁹

Types of controls

- | Official controls on the above-mentioned categories of animals and goods include documentary checks, identity checks and physical checks.
- | For animals and goods other than those mentioned above, official controls always include a documentary check.²⁴⁰ Identity checks and physical checks depend on the risk to human, to animal or plant health, to animal welfare or, as regards GMOs and plant protection products, also to the environment.

Location of checks

- | Official controls under Chapter V of the Official Control Regulation are carried out at border control posts and other points of entry into the EU.²⁴¹
- | Further, when EU member states' competent authorities have reason to believe that their entry into the EU could pose a risk to human, animal or plant health, animal welfare or, as regards GMOs and plant protection products, also to the environment, they are to perform official controls on the means of transport, including where empty, and on packaging, including pallets.²⁴²

2. EU import rules for products of non-animal origin

The EU import control regime for products of non-animal origin is also governed by the Official Control Regulation. In general terms, the EU applies four different import control regimes **based on the perceived risk for EU consumers**.

They are:

1. Pre-export checks for products with lowest risk

2. No specific regime
3. Increased controls based on emerging or known risks and as decided by the EU on a case-by-case basis
4. Safeguard measures in case of the highest perceived risk

1. Pre-export checks for products with lowest risk

- **Pre-export checks are established under Article 73 of the Official Control Regulation.**
- **Upon request from a third country, the EC can approve specific pre-export controls that the third country can carry out on consignments prior to export to the EU.**
- *Currently, the only pre-export checks allowed by the EC on the basis of the above-mentioned regulation are:*
 - *Peanuts and derived products as regards presence of aflatoxins – carried out by the USA;*
 - *Wheat and wheat flour as regards presence of ochratoxin – carried out by Canada.*

2. No specific regime

The general rules of the Official Controls Regulation apply.

3. Increased controls based on emerging or known risks and as decided by the EU on a case-by-case basis

- The EC decides on a **temporary increase of official controls** at entry into the EU for certain food and feed of non-animal origin from third countries when there is a known or emerging risk or when there is evidence of widespread serious non-compliance with EU agrifood chain legislation.
- A list of these products indicating their Combined Nomenclature (CN) codes is established and maintained in an EU legal instrument,²⁴³ in accordance with Article 47(2)(b) of the Official Controls Regulation.²⁴⁴
- The competent EU member states' authorities at border control posts and at control points carry out identity and physical checks, including sampling and laboratory analyses, on consignments of food and feed listed in Annex I and at the frequency set out in that annex.²⁴⁵
- *Currently, no agricultural products from Lao PDR are subject to increased controls. At least biannually, the European Commission reviews the list of products subject to increased controls.*

4. Safeguard measures in case of the highest perceived risk

- Food and feed of non-animal origin **posing a serious risk to public health**, which cannot be satisfactorily contained by means of measures taken by the EU member states, is listed in an EU legal instrument and is subject to **emergency measures**.²⁴⁶
- EU member states' competent authorities at border control posts and at control points carry out identity and physical checks, including sampling and laboratory analyses in accredited laboratories, on consignments of listed food and feed at the defined frequency.²⁴⁷
- Each consignment of listed food and feed has to be identified with an identification code and has to be accompanied by the results of samplings and analyses performed by competent authorities of the country of origin. On the basis of the sampling analysis performed, the 's competent authorities determine:
 - (i) Compliance with EU rules on contaminants in foods and on undesirable substances in animal feed for consignments of

4. Safeguard measures in case of the highest perceived risk (cont.)

- food and feed listed in Annex II due to contamination risk by mycotoxins;²⁴⁸
 - (ii) Compliance with EU rules on maximum residue levels of pesticides in or on food and feed of plant and animal origin,²⁴⁹ for consignments of food and feed listed in Annex II due to contamination risk by pesticide residues;
 - (iii) That the product does not contain more than 0,01 mg/kg pentachlorophenol (PCP), for consignments of food and feed listed in Annex II due to contamination risk by pentachlorophenol and dioxins; and
 - (iv) The absence of salmonella in 25 g, for consignments of food listed in Annex II due to risk of microbiological contamination by salmonella.
- Each consignment of food and feed listed in Annex II to the EU Regulation on the Temporary Increase of Official Controls shall be accompanied by an official certificate in accordance with the model set out in Annex IV to that regulation (official certificate).
 - *No product from Lao PDR is currently included in Annex I and II to Commission Implementing Regulation (EU) 2019/1793 for a temporary increase of official controls or emergency measures. However, exporters from Lao PDR are advised to frequently check the legislation, which is subject to change at least on a biannual basis.*

b) Rules for contaminants in foodstuffs

Contaminants could be present in food as a result of the various stages of its production, packaging, transportation or holding, or might also result from environmental contamination.

In order to ensure a high level of consumer protection, imports of foodstuffs into the EU are required to comply with EU legislation designed to ensure that food placed on the EU market is safe to be consumed and does not contain contaminants at levels that could threaten human health.

EU law regulates the presence of such contaminants in foodstuffs in the EU.²⁵⁰

Food containing a contaminant to an amount unacceptable from a public health viewpoint and, in particular, at a toxicological level, is not to be placed on the EU market and will be rejected;

The regulation, in relevant part, provides as follows:

Contaminant levels are to be kept as low as can reasonably be achieved following recommended good working practices;

Maximum levels can be set for certain contaminants in order to protect public health. More specifically, maximum levels have been established for the following contaminants:²⁵¹

- Certain mycotoxins (e.g. aflatoxins, ochratoxin A, fusarium toxins, patulin and citrinin);
- Certain metals (e.g. cadmium, lead, mercury, inorganic tin, and arsenic);
- Certain dioxins and polychlorinated biphenyls (PCBs);
- Polycyclic aromatic hydrocarbons (PAH);
- 3-monochloropropane diol;

- Melamine;
- Erucic acid; and
- Certain nitrates.

Exporters of processed food products from Lao PDR can find relevant information on maximum levels of contaminants allowed in foodstuffs in the annex to Regulation (EC) 1881/2006. Extracts from this regulation setting out maximum levels of contaminants (indicated in µg/kg) are given in Figure 19.

Figure 19: Extract from annex to Regulation (EC) 1881/2006 setting out maximum levels of contaminants for certain processed food products

2.2	Ochratoxin A	
2.2.5	Soluble coffee (instant coffee)	10,0
3.4	Tin (inorganic)	
3.4.1	Canned foods other than beverages	200
3.4.2	Canned beverages, including fruit juices and vegetable juices	100

c) Rules on maximum residue levels

The EU's Regulation (EC) No. 396/2005 lays down provisions for the setting of EU pesticide maximum residue levels (MRLs) in food and feed.²⁵² Imports of plant and animal products must comply with such MRLs set by the EC in order to protect consumers from exposure to high levels of pesticide residues.

Defining pesticides: A pesticide is a substance or a compound product that prevents, destroys or controls a harmful organism (pest) or disease, or protects plants or plant products during production, storage and transport. The term includes herbicides, fungicides, insecticides, acaricides, nematocides, molluscicides, rodenticides, growth regulators, repellents, rodenticides and biocides.

The EU law covers more than 1,100 pesticides currently or formerly used in agriculture in or outside the EU.

MRL: An MRL is the highest level of pesticide residue that is legally tolerated in or on food or feed when pesticides are applied correctly and according to Good Agricultural Practices (GAP). *In the EU, MRLs have been established for 315 fresh products and to the same products after processing, adjusted to take account of dilution or concentration during the process. A general default MRL of 0.01 mg/kg applies where an MRL for a pesticide is not specifically mentioned.*

Details of MRLs: The list of products subject to control and corresponding MRLs applicable are set out in the annexes to Regulation (EC) No. 396/2005. The annexes are organized as follows:

- Annex I** | Establishes a list of products to which MRLs apply, which include animal products, fruits, vegetables, cereals, spices and certain edible plants.
- Annex II** | Contains the list of EU definitive MRLs.
- Annex III** | Provides the list of EU temporary MRLs.
- Annex IV** | Provides the list of pesticides for which no MRLs are needed due to their low risk.
- Annex V** | Contains the list of pesticides for which a default limit other than 0.01 mg per kg applies.

Annex VI	Provides the list of active substance/product combinations, as referred to in Article 18(3) of Regulation (EC) No. 396/2005 of the European Parliament and of the Council of 23 February 2005 on maximum residue levels of pesticides in or on food and feed of plant and animal origin.
Annex VII	Contains a list of pesticides used as fumigants for which EU member states are allowed to apply special derogations before the products are placed on the market.

For further information on MRLs:

More information on the substances and the MRLs included in the lists of Annexes II, III and IV is available on the EU Pesticides Database website.²⁵³

d) Rules on plant protection and phytosanitary checks

Exporters of raw agricultural products from Lao PDR to the EU could be subject to the measures included in EU rules on protective measures against the introduction of organisms harmful to plants or plant products and against their spread within the EU.²⁵⁴

The following aspects are of relevance for exporters from Lao PDR:

Phytosanitary certificate

- | All plants (including living parts of plants) must be accompanied by a phytosanitary certificate to enter the EU unless they are listed in an EU legal instrument as exempted from this general requirement.²⁵⁵
- | The phytosanitary certificate aims to guarantee that plants, plant products and other objects are:
 - | Properly inspected;
 - | Free from quarantine pests, within the requirements for regulated non-quarantine pests and practically free from other pests; and
 - | In line with the plant health requirements of the EU.²⁵⁶
- | The phytosanitary certificate is issued by the exporting country's national plant protection authority. Once in the EU, a plant passport can replace the phytosanitary certificate for imported plants, plant products and other objects, which are listed in EU law.²⁵⁷
- | No phytosanitary certificate is required for the import into the EU of the following fruits: pineapples, bananas, coconuts, durians and dates.²⁵⁸

High-risk plants

- | Increased prevention measures are underway against the introduction of new pests via imports from third countries and, on that note, the EU law establishes a list of high-risk plants, the introduction of which into the EU territory is provisionally prohibited from 14 December 2019 until a full risk assessment has been carried out.

Plant passport and register

- | EU law establishes an EU plant passport and a register of professional operators and harmonized rules on traceability (refer to Figure 16).

Compulsory health checks

- | All plants and plant products imported from non-EU countries are subject to compulsory health checks.

Type of checks:

- Verification of phytosanitary certificates and documents to ensure that consignments meet EU requirements;
- Verification of the identity to ensure that the consignment corresponds to the certificate;
- Inspections of the consignments to ensure the consignment is free from harmful organisms.

Location and fees:

- Identity and plant health checks (excluding the documentary check) can be carried out at the place of origin with the agreement of the plant health authorities responsible for the point of entry and the point of destination. This procedure is allowed only if the importer has previously been approved by the EU authorities.
- EU member states collect a fee for the documentary, identity and plant health checks, to be paid by the importer or their customs representative.²⁵⁹

Scope for reduced health checks:

- There are EU rules for reduced health checks for certain plants.²⁶⁰
- According to EU legislation, for the period between 1 February 2020 and 31 December 2020, 65 products were recommended for reduced plant health checks by the European Commission.²⁶¹
- None of the products included on the list originates from Lao PDR. However, the list recommends reduced health checks for products from all countries of origin, which means that those plants, plant products and other objects originating from Lao PDR can benefit from this simplified import regime.

Strict rules apply in special cases

- | Some commodities originating from non-EU countries are prohibited for introduction within the whole EU;²⁶²
- | Some commodities originating from non-EU countries are prohibited in defined protected zones of the EU;²⁶³
- | Some commodities originating in non-EU countries and classified as high-risk plants, and plants products are provisionally banned from introduction within the entire EU;²⁶⁴ and
- | A letter of authorization is required for plants, plant products or other objects for trial or scientific purposes or for work on varietal selections.²⁶⁵

Exporters from Lao PDR must be aware that further special rules could apply under specific conditions and for a limited time under EU law.²⁶⁶

Specific regulations for Lao exporters at the Lao PDR border

In addition to the above, Lao PDR's exporters should also be aware of the regulations governing its exports to the EU and that can impact on its exports to the EU:

Lao PDR's export rules

Ministry of Agriculture and Forestry Notification on increasing attention in certifying phytosanitary and agricultural products of Lao PDR to export to the European Union – No. 1046/DOA, 26 May 2016²⁶⁷

Stipulates that all plants and agricultural products of Lao PDR to be exported to the EU must register their garden cultivation/farm, packaging house and export companies with the Agriculture Section under the Provincial Department of Agriculture and Forestry.

Notification regarding the inspection of seal locks for exporting wooden products, minerals, agricultural products and general goods No. 10036/DC of 11 December 2019²⁶⁸

In case of an irregularity regarding the security seal, be it damaged, broken or suspicious, and if the source of information is reliable, the border customs officer is to collaborate with the relevant sector or the goods inspection committee at the place of origin or the border checkpoint management where the goods were exported, the product owner, the transporter or the authorized person to meet, remove the security seal and inspect the goods together.

Lao PDR's export rules

Notification on Sanitary and Phytosanitary Measures (SPS) for EU countries, No. 0612 /DOA²⁶⁹

This notification provides that plants must be free from pests, including moloch, Blanchard, Bemisia tabaci Genn and Thrips palmi Karny.

Notification on emergency measures on the issuance of phytosanitary certificate for the export of vegetables to an EU member state No. 0140/DOA²⁷⁰

Temporarily suspends the issuance of phytosanitary certificates for the export of vegetables to an EU member state due to problems identified through an investigation according to ISPM No. 13 and the issuance of a corrective measure by the Department of Agriculture (DOA).

e) Lao PDR's export rules for processed food exports

In addition to the rules imposed for entering the EU market, exporters of processed food products from Lao PDR should be aware of the following legal instruments applied in Lao PDR, which regulate the export of food products to the EU:

Lao PDR's export regulations for processed food products to the EU

The Ministry of Agriculture and Forestry has issued an instruction re-garding the origin on the import and export of vegetables, vegetable products and food products to the EU²⁷¹

To implement the determinations under the regulation on the strict control of vegetables in order to prevent and eliminate the import of vegetable products from abroad and claiming origin from Lao PDR to re-export to a third country.

Regulation on the Control of Production, Exported-Imported Safe Food²⁷²

A food exporter is to provide the relevant documents and submit them to the Food and Drug Department for review and for it to issue the export certification.

Notification on the Detailed Customs Declaration of Import and Export of Fuel, Vehicle, Liquor, Alcohol Beverage and Cigarettes No. 01581/CD, of 29 March 2018²⁷³

The import and export of petroleum, vehicles, liquor, alcoholic beverages and cigarettes is to be conducted on the basis of a customs declaration at the entry border checkpoint in accordance with Article 14 and Article 15 of the Customs Law in order to receive permission from relevant agencies before the import or export and have a sales contract. After that, companies are enabled to proceed to issue the customs declaration.

v. Labelling of processed food products

All foodstuffs marketed in the EU must comply with certain labelling rules to ensure that consumers receive all essential information to make informed choices.

a) Rules governing food labelling

The EU's General Food Law²⁷⁴ sets out general rules for labelling, advertising, and presentation of foodstuffs, including their shape, appearance or packaging, packaging materials used, the manner in which they are arranged and the setting in which they are displayed, and the information made available about them through whatever medium, so as to not mislead consumers. In addition to the general rules on food labelling, specific provisions should be noted for labelling of the following:

- | Genetically modified food;
- | Novel foods;

- | Foods for specific groups;
- | Food improvement agents (like additives and flavourings); and
- | Materials intended to come into contact with food.

The EU's main legal instrument for the labelling of foodstuffs is the EU Food Information Regulation.²⁷⁵

b) General information required on labels

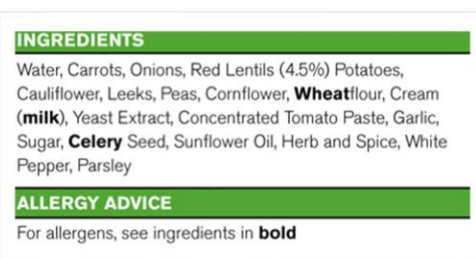
In accordance with Article 9, as well as Articles 10–35 of the EU Food Information Regulation, **labels of foodstuffs** intended to be placed on the EU market must contain the following elements:

Details of the product

Name under which product is sold	<ul style="list-style-type: none"> ▪ No trademark, brand name or fancy name can substitute the generic name, but rather it can be used in addition to the generic name. ▪ Particulars as to the physical condition of the foodstuff or the specific treatment it has undergone (e.g. powdered, freeze-dried, deep-frozen, concentrated, smoked, irradiated or treated with ionizing radiation) must be included where the omission of such could confuse the consumer.
EU contact details	<ul style="list-style-type: none"> ▪ The name or business name and address of the manufacturer, packager or importer established in the EU.
Origin details	<ul style="list-style-type: none"> ▪ The country of origin or place of provenance where provided for in Article 26 of the EU Food Information Regulation.

Ingredients and related content

List of ingredients preceded by the word "ingredients"	<ul style="list-style-type: none"> ▪ List must be preceded by the word "ingredients". ▪ Must provide all ingredients (including additives) in descending order of weight as recorded at the time of their use in the manufacture and designated by their specific name. ▪ In the case of products that could contain ingredients liable to cause allergies or intolerances, as listed in Annex II to the EU Food Information Regulation, a clear indication must be given on the label by the word "contains", followed by the name of the ingredient. However, this indication is not necessary when the specific name is included in the list of ingredients.
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Quantity of ingredients	<ul style="list-style-type: none"> ▪ Quantity of certain ingredients or categories of ingredients must be provided where it: <ul style="list-style-type: none"> ▪ Appears in the name of the food; or ▪ Is usually associated with that name by the consumer; or ▪ Is emphasized on the labelling in words, pictures or graphics; or ▪ Is essential to characterize a food and to distinguish it from products with which it might be confused because of its name or appearance.
Net quantity of pre-packaged foodstuffs	<ul style="list-style-type: none"> ▪ Must be provided in metric units for liquids (litre, centilitre or millilitre) and for non-liquids (kilogram or gram).
Alcoholic strength	<ul style="list-style-type: none"> ▪ The indication of the acquired alcoholic strength for beverages containing more than 1.2% by volume of alcohol.
Nutrition details	<ul style="list-style-type: none"> ▪ A nutrition declaration.

Instructions on usage

Durability	<ul style="list-style-type: none"> ▪ Date of minimum durability consisting of day, month and year in that order; and ▪ Preceded by the words “best before” or “best before end” or “use by” date for highly perishable goods.
Storage	<ul style="list-style-type: none"> ▪ Any special storage conditions and/or conditions of use.
Instructions on use	<ul style="list-style-type: none"> ▪ Instructions for use where it would be difficult to make appropriate use of the food in the absence of such instructions.

Mandatory provisions for certain types of food

Certain foods are subject to additional mandatory particulars that must be included on the labelling	<ul style="list-style-type: none"> ▪ Particulars to be included are detailed in Annex III to the EU Food Information Regulation.²⁷⁶ <p>Foods covered:</p> <ul style="list-style-type: none"> ▪ Foods packaged in certain gases; ▪ Foods containing sweeteners; ▪ Foods containing glycyrrhizic acid or its ammonium salt; ▪ Beverages with high caffeine content or foods with added caffeine; ▪ Foods with added phytosterols, phytosterol esters, phytosterols or phytosterol esters; and ▪ Frozen meat, frozen meat preparations and frozen unprocessed fishery products. <p>Location of details:</p> <ul style="list-style-type: none"> ▪ These particulars must appear on the packaging or on a label attached to pre-packaged foodstuffs. ▪ In the case of pre-packaged foodstuffs intended for mass caterers (i.e. foodstuffs sold in bulk), the compulsory labelling particulars must appear on commercial documents, while the name under which it is sold, the date of durability or use-by date, and the name of manufacturer must appear on the external packaging.
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c) Other specific provisions on labelling

In addition to the above general rules, there are also other specific rules for particular products and types of information, as detailed below.

Genetically modified organisms	<ul style="list-style-type: none"> ▪ Products consisting of or containing genetically modified organisms (GMOs) and food products obtained from GMOs, which have been authorized for the placing on the EU market, are subject to labelling requirements.²⁷⁷ ▪ In the case of pre-packaged products, operators are required to state on a label that “This product contains genetically modified organisms”. This labelling obligation also applies to highly refined products (e.g. oil obtained from genetically modified maize), as well as genetically modified additives and flavourings.
Labelling of specific foods for particular nutritional uses such as baby foods, dietary foods for special medical purposes, foods for weight reduction and	<ul style="list-style-type: none"> ▪ In addition to the rules applicable to foodstuffs in general, specific provisions (e.g. a declaration of the energy value, carbohydrate, protein and fat content, etc.) of EU law exist for groups of foods for particular nutritional uses. These products must be suitable for their claimed nutritional purposes and marketed in such a way as to indicate their suitability. ▪ EU law provides general compositional and labelling rules, and required the Commission to adopt, through delegated acts, specific compositional and labelling rules for, as follows: 1) Infant and follow-on formula; 2) Processed

foods for sportspeople²⁷⁸

cereal-based food and other baby food; 3) Food for special medical purposes; and 4) Total diet replacement for weight control.

- In this context, the following instructions are provided:
 - a) **Infant formula and follow-on formula:** EU law provides a number of specific labelling requirements with respect to specific compositional and information requirements.²⁷⁹
 - b) **Food for weight reduction:** EU law provides additional labelling rules for foods intended for use in energy-restricted diets for weight reduction.²⁸⁰ The rules of Directive 96/8/EC remain applicable until a new delegated Act has been adopted by the European Commission.
 - c) **Food for special medical purposes:** EU law on the specific compositional and information requirements for food for special medical purposes provides specific labelling requirements for such foods.²⁸¹

In terms of the absence or reduced presence of gluten in food, EU law sets out the conditions under which foods can be labelled as "gluten-free" or "very low gluten":

- *"The statement 'gluten-free' may only be made where the food as sold to the final consumer contains no more than 20 mg/kg of gluten."*
- *"The statement 'very low gluten' may only be made where the food, consisting of or containing one or more ingredients made from wheat, rye, barley, oats or their crossbred varieties which have been specially processed to reduce the gluten content, contains no more than 100 mg/kg of gluten in the food as sold to the final consumer."²⁸²*
- As regards the addition of substances for specific nutritional purposes, EU law provides a single EU list of substances that can be added to foods for specific groups.²⁸³

Labelling of additives and flavourings

- Additives and flavourings must always be labelled on the packaging of food products by their category (e.g. anti-oxidant, preservative or colour, etc.).
- Further provisions on labelling of additives sold as such to food producers and consumers are laid down in EU law.²⁸⁴

Labelling of material that comes into contact with food

- Articles intended to come into contact with foodstuffs, including packaging materials and containers, must be labelled "for food contact" or must bear the following symbol with a glass and fork as set out in EU law.²⁸⁵

**Additional voluntary information for foodstuffs**

- In addition to the mandatory rules, there is also additional information that food manufacturers can include on a voluntary basis, provided that it is accurate and does not mislead the consumer.
- For example, nutrition and health claims must comply with Regulation (EC) No. 1924/2006 of the European Parliament and of the Council of 20 December 2006 on nutrition and health claims made on foods.

For example, nutrition and health claims must comply with Regulation (EC) No. 1924/2006 of the European Parliament and of the Council of 20 December 2006 on nutrition and health claims made on foods.²⁸⁶

Processed food products

For further information on food and processed agricultural products:

The European Commission provides detailed information on and for the food and processed agricultural products industries on its websites:

https://ec.europa.eu/growth/sectors/food_en; and

https://ec.europa.eu/growth/sectors/food/processed-agricultural-products_en.

vi. Specific rules governing organic products

a) General rules governing organic products

General rules concerning organic agricultural products, including aquaculture and yeast, are covered under Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products.

Products from non-EU countries can be sold on the EU market as organic, as long as they comply with relevant EU legislation and if they have been subject to control and if equivalence with the applicable rules of that third country has been recognized by the EU.²⁸⁷ Controls can be carried out by a body recognized by the EU or, in some cases, by a body in the country of origin.

EU rules on organic farming cover every stage of the production process

This means that the rules apply for all stages from seeds to the final processed food.

More specifically, the rules apply to:

- | Live or unprocessed agricultural products, including seeds and other plant reproductive material;
- | Processed agricultural products for use as food;
- | Feed.²⁸⁸

Annex I to Regulation (EU) 2018/848 provides a list of products other than those established in Article 2(1) that can also be certified as organic, introducing a novelty compared to the previous EU organic products regulation. The list includes, *inter alia*, yeasts, maté, vine leaves, palm hearts, hop shoots, silkworm cocoon, natural gums and resins, essential oils, cork stoppers, raw cotton, raw wool, raw hides and plant-based traditional herbal preparations.

Organic production excludes products from fishing and hunting from wild animals, but includes harvest of wild plants when certain natural habitat conditions are respected.²⁸⁹ Specific rules are established for aquaculture.

Key principles governing organic production in the EU

Rules governing organic production in the EU are based on a number of key principles, including:

- | The prohibition of use of genetically modified organisms (GMOs);²⁹⁰
- | The prohibition of use of ionizing radiation;²⁹¹
- | The limitation of use of artificial fertilizers, herbicides and pesticides;²⁹²
- | The prohibition of use of hormones and restriction of use of antibiotics when it is necessary for animal health.²⁹³

This means that organic producers need to adopt different approaches to maintaining soil fertility and animal and plant health, which could include:

- | Crop rotation;²⁹⁴
- | Tillage and cultivation practices that maintain or increase the fertility of the soil;²⁹⁵
- | The prohibition of use of mineral nitrogen fertilizers;²⁹⁶
- | The choice of resistant varieties and breeds as well as techniques encouraging natural pest and weeds control;²⁹⁷
- | Encouraging the natural immunological defence of animals;²⁹⁸
- | The prevention of overstocking²⁹⁹

Specific rules for marketing livestock as organic in the EU

Specific rules are also established for farmers wishing to market livestock as organic in the EU, including:

- | Non-organically raised animals may not be brought onto holdings, unless for breeding purposes and they only comply with specific rules (Point 1.3.4. of Part II of Annex II to Regulation (EU) 2018/848);
- | The feed should primarily be obtained from the farm where the animals are kept or from farms in the same region;³⁰⁰
- | Cloning animals and/or transferring embryos is strictly forbidden;³⁰¹
- | Growth promoters and synthetic amino acids are prohibited;³⁰²
- | Suckling mammals must be fed with natural, preferably maternal, milk;³⁰³
- | Natural methods of reproduction must be used. However, artificial insemination is allowed;³⁰⁴
- | Non-organic feed materials from plant origin, feed materials from animal and mineral origin, feed additives, certain products used in animal nutrition and processing aids are only to be used if they have been specifically authorized for use in organic production;³⁰⁵
- | Must abide by certain animal welfare principles as noted below:
- | Personnel keeping animals must possess the necessary basic knowledge and skills as regards the health and the welfare needs of the animals;³⁰⁶
 - Particular attention should be paid to housing conditions, husbandry practices and stocking densities;³⁰⁷
 - The number of livestock must be limited to minimize overgrazing, erosion or pollution caused by animals or by the spreading of their manure;³⁰⁸
 - Animals are to have, whenever possible, access to open air or grazing areas;³⁰⁹
 - Tethering or isolating livestock is prohibited aside from individual animals for a limited period of time and only for welfare, safety or veterinary reasons;³¹⁰
 - Hormones or similar substances are not permitted, unless as a form of veterinary therapeutic treatment for an individual animal;³¹¹
 - When the animals are ill, allopathic veterinary medicinal products, including antibiotics, can be used where necessary and under strict conditions. This is only allowed when the use of phyto-therapeutic, homeopathic and other products is inappropriate;³¹² and
 - The use of immunological veterinary medicines is permitted.³¹³

Substances used to fight pests or plant diseases to be pre-approved

- | Any substance used in organic agriculture to fight pests or plant diseases must be pre-approved by the European Commission.³¹⁴
- | Further details are provided by Commission Regulation (EC) 889/2007 of 5 September 2008 laying down detailed rules for the implementation of Council Regulation (EC) No. 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control.³¹⁵
- | The rules contained therein guide the approval of external inputs such as fertilizers, pesticides and food additives so that only substances and compounds listed as approved in specific legislation can be used in organic productions.

b) Labelling organic products

Article 33(1) of Regulation (EU) 2018/848 allows the use of the EU's organic logo. The EU's organic logo can be used by producers wishing to export their goods into the EU when the products comply with the EU rules on the import of organic goods.³¹⁶

The logo must be displayed according to the following rules:

The logo must not be smaller than 13.5 mm by 9 mm. In the case of very small packaging where this is not possible, 9 mm by 6 mm is permitted.



- | The logo must be displayed in the standard green and white colour scheme or in black and white if it is not possible to apply it in colour.
- | If the background colour of the label or of the packaging is dark, the symbols can be used in negative format.
- | If the logo is used in colour on a coloured background that renders it difficult to see, a delimiting line can be placed around the logo.
- | If there is only one colour on the packaging, the organic logo can be used in that one colour.
- | The logo may not be stylized (for example, by making the background transparent or adding 3D effects).

Further information on how the organic logo must be displayed is provided in the user manual on the organic logo published by the European Commission.³¹⁷

c) Exporting organic products to the EU

Under Regulation (EU) 2018/848, the following applies for imports of organic products:

- | Products from a third country can be sold in the EU as organic when they comply with production and control rules of the non-EU country recognized under a trade agreement as equivalent to those in the EU;³¹⁸ and
- | Products from a third country can be sold in the EU as organic when they are accompanied by a certificate issued by the relevant control authorities or control bodies in non-EU countries confirming that the product complies with EU standards.³¹⁹

vii. Further information/key contacts

For further information, businesses can refer to the following entities/institutions based in the EU:

Institution	Description	Contact details
European Association of Fruit and Vegetable Processors (PROFEL)	PROFEL monitors the legislative developments relevant to the fruit and vegetable processing sector and provides expertise and input to legislators and decision makers in the European Commission, the European Parliament and other relevant institutions and organizations in Brussels.	Avenue des Nerviens 9-31 1040 Brussels Belgium Phone: +32 2 500 87 59 E-mail: profel@profel-europe.eu Website: www.profel-europe.eu
European Vegetable Oil and Proteameal Industry Federation (FEDIOL)	FEDIOL is the federation representing the vegetable oil and protein meal industry in Europe towards public and private organizations, notably EU institutions, but also international bodies and stakeholders such as suppliers, customers and civil society, with a view to ensure a favourable business environment.	Avenue de Tervuren 168 1150 Brussels Belgium Phone: +32 2 771 53 30 E-mail: fediol@fediol.eu Website: www.fediol.eu

Institution	Description	Contact details
European Fresh Produce Association (Freshfel)	Freshfel members represent all segments of the fresh produce trade, including import, export, wholesale, distribution and retail. Its members include non-EU and EU businesses.	Rue de Trèves 49-51 1040 Brussels Belgium Phone: +32 2 777 15 80 E-mail: info@freshfel.org Website: www.freshfel.org
European Coffee Federation (ECF)	The European Coffee Federation (ECF) represents the European green coffee trade, coffee roasting industry, soluble coffee manufacturers and decaffeinators. The companies affiliated to the ECF represent a total import volume of approximately 40 million bags, or half of the world trade volume.	Avenue des Nerviens, 9-31 1040 Brussels Belgium Phone: +32 2 549 56 41 E-mail: ecf@ecf-coffee.org Website: www.ecf-coffee.org
European Cocoa Association (ECA)	The European Cocoa Association (ECA) has the mission to <i>study, research and implement adequate solutions to any matter affecting the industry, the trading and the logistics of the cocoa sector</i> . ECA members are active in cocoa trading, logistics and processing, and industrial chocolate manufacturing.	Avenue des Gaulois 3 1040 Brussels Belgium Phone: +32 2 662 00 06 E-mail: info@eurococoa.com Website: www.eurococoa.com
Tea & Herbal Infusions Europe (THIE)	Tea & Herbal Infusions Europe (THIE) is the association representing the interests of producers and traders of tea and herbal infusions, as well as extracts thereof in the EU. The association's main objectives are to establish a common European policy with regard to tea and herbal infusions and to maintain contact with EU officials and representatives of other organizations and to collaborate in any matter related to the tea and herbal infusions trade and industry.	THIE Sonninstraße 28 20097 Hamburg Germany Phone: +49 40 23 60 16- 21 E-mail: thie@wga-hh.de Website: http://www.thie-online.eu/
European Ice Cream Association (Euroglaces)	Euroglaces represents the ice cream industry in Europe. Its mission is to work on the creation of an advantageous regulatory environment for all European industrial ice cream companies and on promoting the specific interests of the ice cream industry at EU level.	Euroglaces c/o FEVIA Rue de la Science 14 1040 Brussels Belgium Phone: +32 (0)2 213 84 78 E-mail: info@euroglaces.eu Website: www.euroglaces.eu
FoodDrinkEurope	FoodDrinkEurope is an international association based in Brussels maintaining close contacts with the EU and international institutions. The association is a major partner in the consultations on all issues affecting the EU's food and drink industry.	Avenue des Nerviens 9-31 1040 Brussels Belgium

Processed food products

Institution	Description	Contact details
FoodDrinkEurope (cont.)	FoodDrinkEurope coordinates the work of more than 700 experts through its committees and expert groups around four themes: food and consumer policy, food safety and science, nutrition and health, and environmental sustainability and competitiveness.	Phone: +32 2 514 11 11 E-mail: info@fooddrinkeurope.eu Website: www.fooddrinkeurope.eu

3.5 PROCESSED WOOD PRODUCTS

i. Main steps for exporting processed wood products to the EU



Comply with the steps required in Lao PDR

- | Register the enterprise in accordance with specified procedures.
- | Prepare export documents.
- | Request and obtain an export permit.
- | Fill out the ASYCUDA forms for customs clearance.
- | Check legal notifications pertaining to specific aspects relating to the export (e.g., sanitary and phytosanitary measures), and relating to specific products.



Comply with the importing requirements of the EU

- | Check and ensure compliance with the applicable rules of origin.
- | Ensure registration with the EU's Registered Exporter (REX) system.
- | Request and obtain a phytosanitary certificate for plant-based products.



Comply with any product-specific rules that apply to products to be placed on the EU market:

- | Check the legal framework for exporting timber and timber products to the EU
- | Check the special requirements relating to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
- | Check the restrictions on use of certain chemical substances in timber and timber products
- | Check the specific requirements to use the EU Ecolabel for furniture
- | In case of the export of wood packaging, check the relevant EU import requirements

ii. Context

In 2019, Lao PDR's wood products represented 5% of its total exports (an estimated value of \$300 million), amounting to the country's sixth-largest exported product.³²⁰ Exports of wood products to the EU, however, have been quite limited, as is evidenced in Table 22.

Table 22: Key countries of origin of exports and Lao PDR's exports to the EU in 2019 ³²¹

HS chapter	Sector	Country	Import value to the EU (in EUR)
Chapter 44	Wood and articles of wood; wood charcoal	China	2,507,379,903
		Russian Federation	2,293,446,511
		US	1,803,578,224
		Malaysia	295,708,355
		Myanmar	42,981,938
		Philippines	5,749,870
		Lao PDR	30,447

Currently, Lao PDR is exporting a limited amount of goods under HS Section IX, Chapter 44, Wood, charcoal and cork and articles thereof, and does not appear to export any products under HS Section X, Pulp of wood, paper and paperboard (Chapters 47 and 48) to the EU.³²²

Within the EU, Germany is the key market for its exports of wood products (see Table 23).

Table 23: Lao PDR's exports to certain EU Member States in 2019

HS chapter	Sector	Lao PDR'S to all destinations (in USD) ³²³	Exports to certain EU member states (in EUR) ³²⁴	
Chapter 44	Wood and articles of wood; wood charcoal	52,331,000	Germany	26,880
			France	1,534
			Belgium	1,336
			Austria	448
			Iceland	249

In 2016, Lao PDR imposed an export ban on unfinished wooden products to disincentive illegal logging behaviour, and has identified a list of products that are eligible for exports. In effect, the focus is on promoting exports on processed wood products. ITC analysis indicates that processed wood products have a combined total export potential of \$54 million, of which \$31 million is still untapped.³²⁵

iii. Technical rules applicable to processed wood products

a) Tariffs for wood product exports under the EBA

Under the EBA scheme, all goods, including processed wood products, timber and timber products, enter the EU duty free.

b) Rules of origin requirements for processed wood products in the EU market

As explained above in Section 2.2(ii), the rules of origin under the GSP Regulation note that, in order to benefit from the tariff preferences, the products for which the tariff preferences are **claimed must originate in a beneficiary country**.³²⁶ The product is deemed to originate from the beneficiary country when the products have been wholly obtained in that country or are sufficiently worked or processed in that country.

The annex to the EU's Timber Regulation lists a wide range of timber products associated to their corresponding EU CN Code for which the regulation applies.³²⁷ For timber and timber products, the rules of origin are laid out in Part II of Annex 22-03 of Commission Delegated Regulation (EU) 2015/2446.³²⁸

Annex 22-03 is organized into three columns, as shown in Figure 20, which provides an extract of the table setting out the rules of origin for timber and timber products as included in Chapter 44.

Figure 20: Extract from Annex 22-03 of rules of origin for timber and timber products

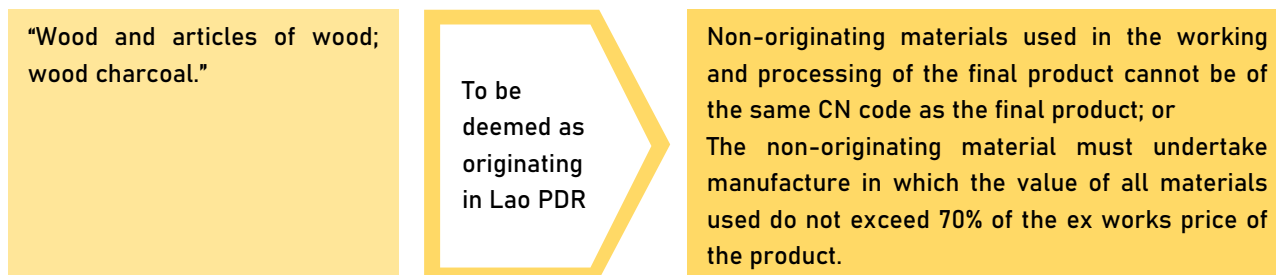
LIST OF PRODUCTS AND WORKING OR PROCESSING OPERATIONS WHICH CONFER ORIGINATING STATUS

Harmonised System heading	Description of product	Qualifying operation (Working or processing, carried out on non-originating materials, which confers originating status)
ex Chapter 44	Wood and articles of wood; wood charcoal; except for:	Manufacture from materials of any heading, except that of the product <i>or</i> Manufacture in which the value of all the materials used does not exceed 70 % of the ex-works price of the product
ex 4407	Wood sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6 mm, planed, sanded or end-jointed	Planing, sanding or end-jointing
ex 4408	Sheets for veneering (including those obtained by slicing laminated wood) and for plywood, of a thickness not exceeding 6 mm, spliced, and other wood sawn lengthwise, sliced or peeled of a thickness not exceeding 6 mm, planed, sanded or end-jointed	Splicing, planing, sanding or end-jointing
Column 1: Chapter no.	Column 2: Product description as in the CN	Column 3 Relevant qualifying operations

In simple terms, for exporters from Lao PDR, Column 3 states the minimum qualifying operation necessary for the wood product, not originating from Lao PDR, to be deemed to have originated from Lao PDR for the purposes of the EBA scheme.

To illustrate further:

For products related to Chapter 44:



There are, however, a few exceptions to this rule. For example, in terms of ex 4407, as noted in the extract

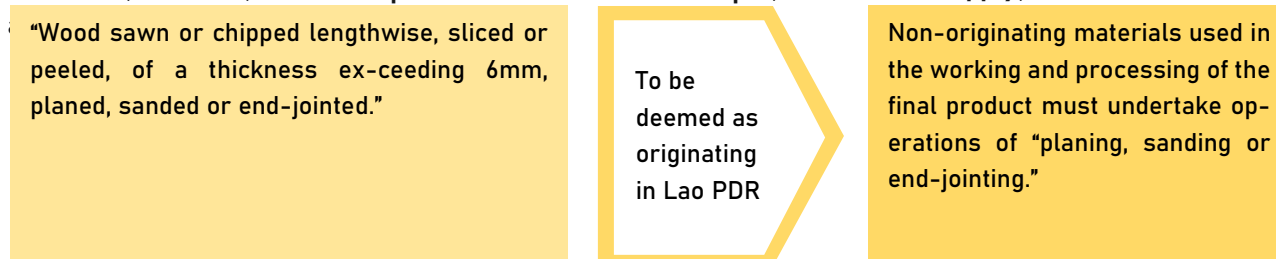


Table 24 sets out the relevant products and corresponding minimum 'qualifying operations' for wood and wood products as set out in Annex 22-03:

Table 24: Rules of origin for wood products as set out in Annex 22-03

Harmonized System heading	Description of product	Qualifying operation (working or processing, carried out on non-originating materials, which confers originating status)
Ex Chapter 44	Wood and articles of wood; wood charcoal; except for	Manufacture from materials of any heading, except that of the product Or Manufacture in which the value of all the materials used does not exceed 70% of the ex works price of the product
Ex 4407	Wood sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6 mm, planed, sanded or end-jointed	Planing, sanding or end-jointing
Ex 4408	Sheets for veneering (including those obtained by slicing laminated wood) and for plywood, of a thickness not exceeding 6 mm, spliced, and other wood sawn lengthwise, sliced or peeled of a thickness not exceeding 6 mm, planed, sanded or end-jointed	Splicing, planing, sanding or end-jointing
Ex 4410 to ex 4413	Beadings and mouldings, including moulded skirting and other moulded boards	Beading or moulding

Harmonized System heading	Description of product	Qualifying operation (working or processing, carried out on non-originating materials, which confers originating status)
Ex 4415	Packing cases, boxes, crates, drums and similar packings, of wood	Manufacture from boards not cut to size
Ex 4418	Builders' joinery and carpentry of wood	Manufacture from materials of any heading, except that of the product. However, cellular wood panels, shingles and shakes can be used.
Chapter 47	Beadings and mouldings	Beading and moulding
Chapter 47 (cont.)	Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paper-board	Manufacture from materials of any heading, except that of the product Or Manufacture in which the value of all the materials used does not exceed 70% of the ex works price of the product
Ex 1702	Other sugars, including chemically pure lactose and glucose, in solid form; sugar syrups; artificial honey, whether or not mixed with natural honey; caramel.	Manufacture from materials of any heading, except that of the product, in which the weight of the materials of Headings 1101 to 1108, 1701 and 1703 used does not exceed 30% of the weight of the final product.

Key points to note:

- | Exporters are encouraged to use the instructions/explanations provided in this guide, and check the applicable rules of origin for wood products in Part II of Annex 22-03 of the Commission Delegated Regulation (EU) 2015/2446.³²⁹
- | Lao PDR producers should note the applicable exceptions to the rules of origin, namely tolerances and cumulation, as discussed in Section 2.2(ii) above.

iv. Key regulatory requirements for processed wood products exports

a) Legal framework governing imports of timber and timber products to the EU

The EU Timber Regulation covers a wide range of timber products, which are listed in the annex to that regulation, and are associated to their corresponding EU CN Code. Products include solid wood products, flooring, plywood, pulp and paper, but do not include recycled products or printed papers such as books, magazines and newspapers.

The EU Timber Regulation has been designed to address trade in illegally harvested timber and timber products.³³⁰ In this context, Article 6 of the regulation sets out three key elements of the due diligence system:

Information

The operator must have access to information describing the timber and timber products, country of harvest, species, quantity, details of the supplier and information on compliance with national legislation.

Risk assessment

The operator should assess the risk of illegal timber in his supply chain, based on the information identified above and taking into account criteria set out in the regulation.

Risk mitigation

When the assessment shows that there is a risk of illegal timber in the supply chain, the risk can be mitigated by requiring additional information and verification from the supplier.

The core element of the due diligence notion is that operators undertake a risk management exercise to minimize the risk of placing illegally harvested timber, or timber products containing illegally harvested timber, on the EU market.

b) Qualifying under the FLEGT Voluntary Partnership Agreement

The **European Union Forest Law Enforcement, Government and Trade (FLEGT) Action Plan** is a voluntary scheme to ensure that only legally harvested timber is imported into the EU from countries agreeing to take part in this scheme. Accordingly, the EU has established a legal framework to enable control of entry of timber into the EU from countries entering into the bilateral FLEGT Voluntary Partnership Agreement (VPA) with the EU, namely the **FLEGT Regulation**³³¹ and the FLEGT Licensing Scheme Regulation.³³²

Notably, timber and timber products covered by valid FLEGT are automatically considered to comply with the requirements of the EU Timber Regulation.

Lao PDR's negotiations with the EU on the FLEGT VPA: Negotiations for a FLEGT VPA between the EU and the Government of Lao PDR are currently ongoing and significant progress has been made in several areas.³³³

- | Upon entry into force of a VPA between the EU and Lao PDR, Lao PDR exporters can only export timber products by acquiring a **FLEGT licence** (explained further below).
- | However, exporters of timber and timber products from Lao PDR must be aware that, until the finalization of the negotiations and the entry into force of a VPA between the EU and Lao PDR, the legal requirements established by the EU Timber Regulation, notably the due diligence criteria, must be fulfilled as part of the procedure of exporting timber to the EU.

i. Finalizing and implementing the VPA

The VPAs include commitments and actions from both parties to halt trade in illegal timber, notably with a licence scheme in the partner country that certifies the legality of timber exported to the EU.

The **issuance of a FLEGT licence** is subject to the implementation by a VPA partner country, of the **establishment of a timber legality assurance system (TLAS)**, and of other measures specified in the VPA.

Once fully operational, a TLAS includes effective supply chain controls, mechanisms for verifying compliance, and independent audits. A TLAS is built around a practical definition of legality that is agreed through participatory processes involving stakeholders from government, the private sector and civil society.

The VPA also intends to promote better enforcement of forest law and an inclusive approach involving civil society and the private sector in the partner country.

Status of the TLAS in Lao PDR: The timber legality assurance system (TLAS) is at the core of the VPAs and it verifies that wood products conform to national laws of the partner country. Once verified as legal, partner countries can issue FLEGT licences for timber products destined for the EU market. In 2019, Lao PDR established its TLAS, which consists of the following five elements:

- | **Timber legality definitions (TLDs)** – which define the timber legality of six sources, namely from production forest, conversion areas, plantation, village use forest, confiscation and importation, and two cross-cutting timber legality definitions in relation to labour obligations, and wood processing and trade operations;

- | **Timber supply chain control** – which aims to ensure the legality of timber sources in order to avoid mixing illegal with legal timber. This can be done through operational control by the operator and verification by the authority;
- | **Compliance verification** – the TLAS provides detailed procedures aimed at verifying the compliance of TLDs and defining the main stages of the supply chain control by the operator;
- | **The FLEGT licensing system** – defines the procedures for issuing a FLEGT licence and the Lao PDR competent authority to issue FLEGT licences; and
- | **Independent monitoring** – Lao PDR will consult with the EU on setting up an independent body with the mission of monitoring the effective functioning of the Lao PDR's TLAS.

Further details on the Lao PDR-EU FLEGT Voluntary Partnership Agreement are available at <https://flegtlaos.com/>.

ii. Acquiring the FLEGT licence

Purpose of the FLEGT licence

Once the FLEGT VPA has come into force, the FLEGT licence guarantees that timber exported from Lao PDR to the EU has been harvested, processed and exported in accordance with national laws. As noted above, once a VPA partner country starts implementing the FLEGT licensing system, the EU will only accept timber products from that country if it holds a FLEGT licence.

FLEGT licences are not a label that aims to provide information on the product to the EU consumer. Rather, FLEGT licences are documents that are only issued for the export of a consignment and serve to fulfil border control requirements.

The EU Timber Regulation requires that operators exercise due diligence when placing timber or timber products on the EU market. However, business operators trading FLEGT-licensed products do not need to undertake further time-consuming and costly due diligence. Authorities responsible for enforcing the EU Timber Regulation in EU member states recognize FLEGT licences as a proof of legality.

Trading by VPA country before FLEGT licences are issued

If goods are traded from a VPA country before it starts issuing FLEGT licensing, there is no need for a FLEGT licence for placing these goods on the EU market. The FLEGT licence becomes mandatory for placing products on the EU market only once the FLEGT licensing system in the partner country has been officially set up.

Rules governing exports with the FLEGT licence

Once a country begins FLEGT licensing, the EU will only accept FLEGT-licensed imports from that country for the product types falling within the scope of that country's FLEGT VPA with the EU.

The FLEGT licence format is based on an EU template, ensuring that the licence document is issued in a unique format differing only in the areas requiring country-specific information.

Processing of product in a country that does not issue FLEGT licences

If a FLEGT-licensed product is processed in another country, which does not also issue FLEGT licences, and then re-exported to the EU, the product cannot maintain its FLEGT licence. Operators placing such products on the EU market for the first time are required to apply due diligence, as required by the EU Timber Regulation. The EU Timber Regulation establishes that any process carried out in a non-VPA third country must be covered by due diligence, as required under the EU Timber Regulation. However, if the FLEGT-licensed shipment is only transported to a non-VPA third country, and does not undergo any mixing or transformation process, the validity of the FLEGT licence is not affected.

c) Special rules in relation to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) aims to ensure that international trade in specimens of wild animals and plants does not threaten their survival.

Licensing framework under CITES

CITES accords varying degrees of protection to more than 30,000 species of animals and plants. CITES works by making international trade in specimens of selected species subject to certain controls. These include a licensing system that requires the authorization of the import and (re-)export of species covered by the Convention. **Notably, timber and timber products covered by valid CITES licences are automatically considered to comply with the requirements of the EU Timber Regulation.**

All timber or timber products derived from a species listed in one of the annexes will need, at the very least, an import licence or permit, and be subject to import notification requirements, established in Article 4 of the regulation. Council Regulation (EC) 338/97 imposes checks on imports and exports at both the EU and country of origin levels and each EU member state has designated a management authority to issue permits and check imports, as well as a scientific authority to act as a consultative body.

Products covered under CITES

The species covered by CITES are listed in appendices, granting varying degrees of protection to them. Four annexes to Council Regulation (EC) 338/97 list the endangered species of animals and plants, which largely correlate to the appendixes of CITES. Annexes A, B, C and D are organized from the greatest degree of trade restrictiveness (Annex A) that the EU assigns to them to the least trade restrictiveness (Annex D).

Businesses in Lao PDR intending to export timber and timber products to the EU should determine whether their products comply with Council Regulation (EC) 338/97 of 9 December 1996 on the protection of species of wild fauna and flora by regulating trade therein, which is based on CITES.³³⁴

Impact of FLEGT VPA on CITES application for Lao PDR

In the future, Council Regulation (EC) 2173/2005 (the FLEGT Regulation), which will apply to Lao PDR's exporters of timber and timber products on the basis of the forthcoming VPA between Lao PDR and the EU, provides that timber products included in Annexes A, B and C to Council Regulation (EC) No. 338/97 will not be subject to the procedure described by Article 4(1) to the FLEGT Regulation for FLEGT-licensed products upon importation into the EU, which means that, given the already strict trade requirements for products listed in Annexes A, B and C, only timber products listed in Annex D will be subject to the additional prohibition if no FLEGT licence accompanies that product.

For further information on the CITES framework:

In case of uncertainty regarding the legality of timber to be traded under the CITES framework, the European Commission has issued a detailed guidance document for EU member states, which can also be useful for traders in Lao PDR.³³⁵

d) Rules on use of chemical substances in timber and timber products

Timber and timber products containing certain chemical substances, a group of substances or mixtures may not be placed on the EU market or are severely restricted. Annex XVII to the EU's REACH Regulation establishes that the chemical substances, group of substances or mixtures listed in Table 25 are not allowed with respect to timber or timber products.³³⁶

Table 25: Chemical substances not allowed with respect to timber or timber products

Mercury compounds	<p>Not to be used as substances and constituents of preparations intended for use to prevent fouling by microorganisms, plants or animals of certain products; and in the preservation of wood.</p> <p><i>For more details, refer to Section 18 of ANNEX XVII of EU's REACH Regulation.</i></p>
Arsenic compounds	<p>(1) Not to be placed on the market, or used as substances or in mixtures where the substance or mixture is intended for use to prevent the fouling by microorganisms, plants or animals of certain products; and in the preservation of wood.</p> <p>There are, however, certain exceptions in the case of preservation of wood – particularly when used in industrial installations subject to specific conditions on usage, and complying with specific labelling requirements.</p> <p><i>For more details, refer to Section 4 of Annex XVII of the EU's REACH Regulation.</i></p>
	<p>(2) Wood treated with arsenic compounds – that was in use in the EU before 30 September 2007 or that was placed on the market in accordance with the exceptional situations noted above – can remain in place and continue to be used until it reaches the end of its service life.</p> <p><i>For more details, refer to Section 19 of Annex XVII of the EU's REACH Regulation.</i></p>
	<p>(3) Wood treated with chromated copper arsenate (CCA) type C – that was in use in the EU before 30 September 2007, or that was placed on the market in accordance with the exceptional situations noted above – can be used or reused subject to complying with specific conditions.</p> <p><i>For more details, refer to Section 19 of Annex XVII of the EU's REACH Regulation.</i></p>
Substances under Entry 31 of Annex XVII to the REACH Regulation	<p>Nine substances are listed under Entry 31 of Annex XVII to the REACH Regulation – which are not be placed on the market, or used, as substances or in mixtures where the substance or mixture is intended for the treatment of wood.</p> <p>There are, however, exceptions, in the case the substances and mixture are used for wood treatment in industrial installations or by professionals covered by EU legislation on the protection of workers.</p> <p>The products treated under these exceptions are still also prohibited for use in specific instance (including inside buildings, toys, playgrounds and manufacture of garden furniture, etc.).</p> <p><i>For more details on these exceptions and how to use them, refer to Section 31 of Annex XVII of the EU's REACH Regulation.</i></p>

Lao PDR's traders are requested to refer to the relevant sections under Annex XVII of the EU's REACH Regulation to obtain specific details on the restrictions in terms of use of chemical compounds for wood products, in order to export to the EU.

For further information in this regard, manufacturers and traders can contact the European Chemicals Agency (ECHA), which manages and coordinates the registration, evaluation, authorization and restriction processes of chemical substances in the EU.³³⁷

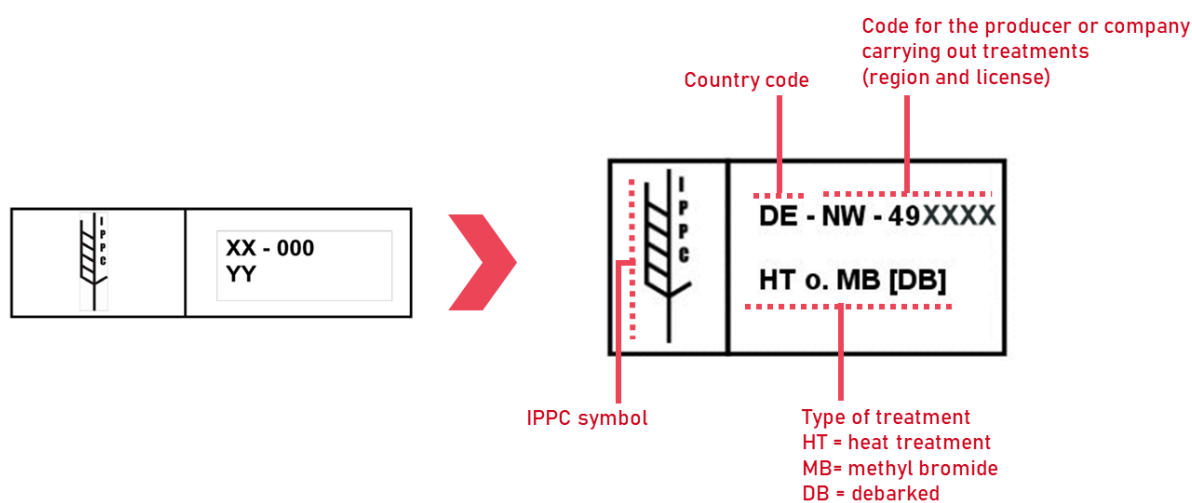
e) Rules governing wooden packaging materials

All wooden packaging material imported into the EU must be subjected to protective measures against plant pests in accordance with Regulation (EU) 2016/2031.³³⁸ The regulation is based on the 2002 Food and Agriculture Organization (FAO) International Standard for Phytosanitary Measures (ISPM) n° 15 and requires that all wood packaging material and dunnage from non-EU countries be subject to the following requirements:³³⁹

Requirements for wood packaging material	Not applicable to
Either heat treated or fumigated in line with ISPM 15 procedures	These requirements are not applicable to: <ul style="list-style-type: none"> ▪ Wood that is 6 mm thick or less; ▪ Wood packaging material made entirely from processed wood produced using glue, heat and pressure, e.g. plywood, oriented strand board and veneer; or ▪ Wood packaging material used in trade within the EU.
Officially marked with the ISPM 15 stamp consisting of three codes (country, producer and measure applied) and the International Plant Protection Convention (IPPC) logo	
Debarked	

Below is an example of the **ISPM 15** stamp used to certify that the wood packaging material has been subject to an approved treatment.

Figure 21: Examples of an ISPM 15 stamp used for food packaging material



Source: GreenLabel Packaging and NordPal

The **ISPM 15** mark contains:

- | The International Plant Protection Convention (IPPC) certification symbol;
- | XX (or DE in the second image³⁴⁰) represents the two-letter ISO country code or ISO 3166-1 alpha-2 code;
- | 000 represents the unique certification number issued to national plant protection organizations (NPPO), which control the individual wood packaging manufacturers. The inclusion of this certification number intends to ensure that the wood packaging material can be traced back to the NPPO/auditing agency;
- | 1111 (the figures after XX/DE-NW) represents the unique certification number issued to the treatment provider and/or manufacturer. The inclusion of this certification number ensures that the wood packaging material can be traced back to the treatment provider and/or the manufacturer;
- | YY represents the treatment applied to the wood packaging material:
 - HT is the code for heat treatment to a minimum of 56°C (133°F) for a minimum of 30 minutes; and
 - MB is the code for methyl bromide fumigation;
 - DB refers to debarked timber;
- | An additional DUN (not provided in the image above) represents the code for when the solid wood material is used for dunnage. The "DUN" dunnage code is not applied to manufactured wood packaging, only loose lumber/timbers to help secure products being shipped.

The ISPM 15-compliant stamp can include further information, as producers and suppliers can choose to include additional information for identification purposes.

f) Export rules by Lao PDR on wood products

Exporters of timber and timber products from Lao PDR should be aware of the following legal instruments:

Guideline on list of exported wood products No. 186/DIH, 27 February 2018³⁴¹

Wooden furniture (i.e. finished wood products) consist of many types and shapes that can be used, separated or disassembled. These wood products can be exported in parts, but must be packed into units through process of producing, such as: saws or slices, cuts, incubate smoothly, sanding, drilled and colour or not colour, depending on the pattern of each wood product, such as tables, chairs, cabinets, beds and so on. In this case, the product is not allowed to be exported in single pieces, such as the sole leg of a table or the sole leg of a chair.

PM's Order No. 15 On Strengthening Strictness of Timber Harvest Management and Inspection, Timber Transport and Business³⁴²

This Order suspends the export of logs, big-size sawed timbers, sawn timbers, spited wood, roots, stumps, knots, branches and standing trees or decorative trees that are harvested from natural forests in any cases.

Notification on exemption of determination of customs value of exported wood products for basis of calculation of export royalties No. 0403/CD³⁴³

All products from wood roots are to be exempt from exporting royalties as stipulated in Article 1.7, Paragraph 9 of the Instruction of the Finance Minister No. 230/MOF.

Notice on the regulation of wood packaging material and wood products for export from Lao PDR to abroad³⁴⁴

This notice concerns wood packaging material and wood products with thickness less than 6 mm and the procedures used before exporting wood packaging material and wood products.

Instruction on Export of Finished Wood Products at Trade Fair No. 1027/TF.DIMEX of 25 May 2015³⁴⁵

The value of wooden products purchased from the exhibition for export is not to exceed 160.000.000 LAK per exporter (at one time). If the value of the wooden products exceeds 160.000.000 LAK per set, the export is not to exceed one set.

Additional instruction on semi wood products for export no. 2156/MOIC.DIMEX of 19 October 2015³⁴⁶

With the exception of column wood, the Industry and Commerce Department in provinces and in the capital are to work with relevant agencies to examine the sources and report to the Department of Import and Export, under the Ministry of Industry and Commerce, for consideration.

Notification on Exportation of timber, saw log (sawn wood), semi-finished wood products (home furniture) shall be consolidated at the Customs Department in order to issue the notification on the implementation No. 1324/CD³⁴⁷

After the government has approved the exportation of timber, saw log (sawn wood) or semi-finished wood products, a copy of the notification from the government must be provided to the Customs Department for it to issue the customs notification to all international customs checkpoints where the exportation of items takes place.

Decision on Timber Product No. 2005/MoIC. DoIH of 28 September 2015³⁴⁸

Owners of wood processing factories that operate their businesses in accordance to the regulations and have outstanding performance by using raw materials with added value for processing wooden products that meet the standards for domestic use and export are to be promoted as stated in the Law on Industrial Processing.

v. Labelling of processed wood products

a) Sustainability related labelling for wood products

Exporters from Lao PDR seeking to engage in sustainable wood exports might be able to market products using related labels such as the EU Ecolabel and the Forest Stewardship Council label.

b) Using the EU Ecolabel for timber and timber products

In the EU, the Ecolabel is the official mark for products with the lowest environmental impact in a product range. It aims to promote environmental protection, as well as help consumers to identify those products that contribute significantly to improvements in relation to key environmental aspects. Participation in the scheme is voluntary. This means that products can be sold on the EU market without the Ecolabel logo and that there are no regulations that require traders to apply the logo.

When a product is included in the product group definition and complies with the published Ecolabel criteria, manufacturers, importers, service providers, traders or retailers that intend to market their products in the EU can apply for the Ecolabel.³⁴⁹



Timber and timber product manufacturers intending to apply the EU's Ecolabel to their products should check the specific criteria³⁵⁰ and the respective factsheet.³⁵¹

For manufacturers of timber and timber products from Lao PDR, an application must be submitted to the competent body of any EU member state in which the products are to be placed, or have been placed, on the market. The application must include all relevant documentation to prove that the product complies with the relevant ecological and performance criteria. The competent body will inform the applicant of the necessary documents that must be submitted, of the test results that must be provided and how the tests should be carried out. If the application is successful, the competent body will provide the applicant a contract covering the terms of use of the label.

Products labelled with the Ecolabel can be marketed in all EU member states. Applications for the award of an Ecolabel are subject to the payment of a fee. In addition, there is an annual fee for the use of the label. Detailed information on the current criteria is available at www.ecolabel.eu.

c) Using the EU Ecolabel for furniture

The use of the EU Ecolabel for furniture is regulated by Commission Decision (EU) 2016/1332 of 28 July 2016 establishing the ecological criteria for the award of the EU Ecolabel for furniture.³⁵²

According to Commission Decision (EU) 2016/1332, "the product group 'furniture' shall comprise free-standing or built-in units whose primary function is to be used for the storage, placement or hanging of items and/or to provide surfaces where users can rest, sit, eat, study or work, whether for indoor or outdoor use. The scope extends to domestic furniture and contract furniture items for use in domestic or non-domestic environments. Bed frames, legs, bases and headboards are included in the scope".

This framework takes into account the expansion of the furniture scope to permit the use of materials other than wood. The increased complexity of the new criteria takes into account the environmental impact of new materials such as textiles, leather, metals and plastics, which must also be considered for furniture products that are supposed to bear the EU Ecolabel.

Authorization of EU Ecolabel on furniture

The application of the EU Ecolabel on furniture is authorized by the competent EU authorities following a technical assessment based on a series of criteria listed in the Annex to Commission Decision (EU) 2016/1332.

Exporters of wood furniture from Lao PDR should also be aware of the following aspects

Criterion 2 – General requirements for hazardous substances and mixtures

Restricts the presence in the product and any component parts/materials of substances that are identified according to Article 59(1) of the REACH Regulation as substances of very high concern (SVHCs) or substances and mixtures that meet the criteria **for Classification, Labelling and Packaging (CLP) according to Regulation (EC) No. 1272/2008 of the European Parliament and of the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures.**

The substance groups of main concern are identified as biocidal products, flame retardants, adhesives/resins, paints/varnishes/inks/dyes, plasticisers, and foaming agents.

For the purpose of Criterion 2, the complete list of substances of very high concern (SVHCs) and classification, labelling and packaging (CLP) hazard classifications is provided in Table 1 within the annex to **Commission Decision (EU) 2016/1332** and according to their hazardous properties.

Criterion 3 – Wood, cork, bamboo and rattan

Establishes, in most relevant part, that:

- All wood, cork, bamboo and rattan shall be covered by chain of custody certificates issued by an independent third-party certification scheme such as the Forest Stewardship Council (FSC), the Programme for the Endorsement of Forest Certification (PEFC) or equivalent, and
- All virgin wood, cork, bamboo and rattan shall not originate from GMO species and shall be covered by valid sustainable forest management certificates issued by an independent third-party certification scheme such as the FSC, PEFC or equivalent.

As regards restricted substances, in addition to the general conditions on hazardous substances established by Criterion 2, the following specific conditions established in Criterion 3 apply to furniture components made of wood, cork, bamboo or rattan:

Contaminants in recycled wood used in wood-based panels: Any recycled wood fibres or wood chips used in the manufacture of wood-based panels is required to undertake tests in accordance with the European Panel Federation standard³⁵³ for delivery conditions of recycled wood and to comply with the limits for contaminants as listed in Table 3 of the annex to Commission Decision (EU) 2016/1332.

Heavy metals in paints, primers and varnishes: Paints, primers or varnishes used on wood or wood-based materials are not to contain substances based on cadmium, lead, chromium VI, mercury, arsenic or selenium, at concentrations exceeding 0,010% w/w for each individual metal in the in-can paint, primer or varnish formulation. This rule applies at the conditions established in Sub-Criterion 3.2(c) of the annex to Commission Decision (EU) 2016/1332.

Volatile organic compound (VOC) content in paints, primers and varnishes: The volatile organic compound (VOC) content of any paints, primers or varnishes used to coat any wood or wood-based panels used in the furniture product is not to exceed 5% (in-can concentration). However, higher VOC content coatings can be used at certain conditions listed in the annex to Commission Decision (EU) 2016/1332.

Formaldehyde emissions from wood-based panels: Formaldehyde emissions from wood-based panels are regulated on the basis of Sub-Criterion 3.3 of the annex to Commission Decision (EU) 2016/1332.

Inclusion of optional text on the Ecolabel for furniture

In terms of the information appearing on the EU Ecolabel for furniture, if the "optional label" with an additional text box is used, Criterion 11 of the annex to the Commission Decision (EU) 2016/1332 must be taken into account.



More specifically, three of the following statements can be contained in the optional label, as relevant:

- | Wood, cork, bamboo and rattan from sustainably managed forests;
- | Recycled content (wood or plastic, if applicable);
- | Restricted hazardous substances;
- | Not treated with biocidal products (if applicable);
- | Not treated with flame retardants (if applicable);

- | Low formaldehyde emission product;
- | Low volatile organic compound (VOC) emission product;
- | Product designed for disassembly and ease of repair.

Where cotton-based textile materials have been used in furniture upholstery using organic or integrated pest management (IPM) cotton, text can be displayed in Box 2 of the EU Ecolabel as follows:

Information that can appear alongside the EU Ecolabel relating to cotton in textiles

Production specification	Text that can be displayed
Organic content of more than 95%	Textiles made with organic cotton
Integrated pest management (IPM) content of more than 70%	Cotton grown with reduced use of pesticides

For further information:

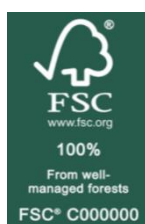
- | Guidelines for the use of the optional label with the text box can be found in the 'EU Ecolabel Logo Guidelines', which is available at http://ec.europa.eu/environment/ecolabel/documents/logo_guidelines.pdf.
- | Exporters of furniture and furniture products and components from Lao PDR intending to use the EU Ecolabel are advised to familiarize themselves with the criteria for awarding the EU Ecolabel to furniture products established in the annex to Commission Decision (EU) 2016/1332.

d) Forest Stewardship Council (FSC) label

The Forest Stewardship Council (FSC) is an international non-profit and multi-stakeholder organization established in 1993, which intends to promote responsible management of the world's forests through private audits and certification. The FSC owns registered trademarks that can be used on wood and other forest products across the world when the products have been audited and certified accordingly.³⁵⁴

FSC certification could be beneficial for Lao PDR exporters in terms of marketing and might be required by certain EU customers. Accordingly, Lao PDR exporters complying with FSC requirements can receive approval to use the following labels.

FSC 100%



'All the materials used in products bearing this label are to be sourced from forests that have been audited by an independent third party to confirm they are managed according to the FSC's social and environmental standards. Of all the FSC labels, FSC 100% contributes most directly to the FSC's objective of "forests for all, forever" and is, therefore, the highest mark of distinction for certified products.'

FSC RECYCLED



'Products that bear this label have been verified as being made from 100% recycled content (either post-consumer or pre-consumer reclaimed materials). The use of FSC Recycled products can help to alleviate the pressure of demand on sources of virgin material, thereby helping to protect the world's forests.'

FSC MIX

'Products that bear this label are made using a mixture of materials from FSC-certified forests, recycled materials, and/or FSC controlled wood. While controlled wood is not from FSC certified forests, it mitigates the risk of the material originating from unacceptable sources.'

vi. Further information/key agencies

For further information, businesses can refer to the following entities/institutions based in the EU:

Institution	Description	Contact details
European Timber Trade Federation (ETTF)	The European Timber Trade Federation (ETTF) represent the interests of the timber sector in the EU market and abroad. The association mainly covers the timber trade activity and its key product groups, namely import and export of softwood, hardwood and panel products. Currently, the ETTF comprises 15 national federation members and five associates, comprising three independent companies in Norway, Sweden and Morocco, the European Parquet Importers Federation and the International Tropical Timber Technical Association.	ETTF Am Weidendamm 1A 10117 Berlin, Germany Phone: +49 30 7262 58 00 E-mail: goebel@ettf.info Website: www.ettf.info
European Federation of the Parquet Industry (FEP)	The European Federation of the Parquet Industry (FEP) includes the European national parquet federations, parquet manufacturers and suppliers to the industry. It is the main body representing and defending the interests of the European parquet industries at all the relevant levels. The activities of FEP are situated in the areas of raw material supply, production, market and internal affairs. The main FEP activities include the collection of market data, the follow-up of relevant European legislation and standardization, the promotion of personal contact and communication among its members.	FEP Rue Montoyer 24/box 20 1000 Brussels Belgium Phone: +32 2 556 25 87 E-mail: info@parquet.net Website: http://www.parquet.net/
Timber Construction Europe (TCE)	Timber Construction Europe (TCE) is the European roof organization gathering national associations representing small and medium-sized enterprises in timber construction. Timber Construction Europe currently represents 22,000 member companies through the membership of national associations in Italy, Luxemburg, Germany, Switzerland and Austria. The association aims to promote timber construction and timber architecture in Europe and is active	TCE Generalsekretariat Kronenstraße 55–58 10117 Berlin Germany Phone: +49(30)20314-533 E-mail: info@timber-construction.eu Website: www.timber-construction.eu

Institution	Description	Contact details
Timber Construction Europe (TCE) (cont.)	in the configuration of European regulations and standards through the participation in relevant European standard committees.	
European Furniture Industries Confederation (EFIC)	The European Furniture Industries Confederation (EFIC) is the voice of furniture industries in the EU. The EFIC was founded in 2006 and represents 70% of the total sector turnover at EU level. The EFIC promotes its members' views with EU institutions and provides legal and regulatory advice to its members on EU policy initiatives.	EFIC Rue Montoyer 24 BE-1000 Bruxelles Belgium Phone: +32 2 2870886 Website: www.efic.eu
Forest Stewardship Council (FSC)	The Forest Stewardship Council (FSC) promotes environmentally appropriate, socially beneficial and economically viable management of the world's forests. The FSC is the pioneer of forest certification, with 25 years of experience in sustainable forest management. The FSC promotes the responsible management of the world's forests, bringing together experts from the environmental, economic and social spheres. The FSC has developed a set of 10 principles and 70 criteria that apply to FSC-certified forests around the world. FSC labels can be found on millions of products around the world and they intend to assure consumers that they are helping to take care of the world's forests.	FSC Adenauerallee 134 53113 Bonn Germany Phone: +49 228 367 66 0 E-mail: mailto:info@fsc.org Website: www.fsc.org
Programme for the Endorsement of Forest Certification (PEFC)	Programme for the Endorsement of Forest Certification (PEFC) endorses national forest certification systems that have been developed through multi-stakeholder processes and tailored to local priorities and conditions. Additionally, the PEFC develops standards for chain of custody, and trademarks and certification body requirements for chain of custody, used by thousands of companies, certification bodies and accreditation bodies around the world.	PEFC ICC Building C Route de Pré-Bois 20 Case Postale 1862 1215 Geneva 15 Switzerland Phone: +41 22 799 4540 E-mail: info@pefc.org Website: www.pefc.org

ANNEXES

Annex I

FURTHER DETAILS OF THE STANDARD GSP AND GSP+ ARRANGEMENTS

Standard GSP

Conditions to benefit from Standard GSP

Developing countries are automatically granted the Standard GSP benefits upon meeting two conditions set out below:

- | Classification of income level – as below the upper-middle income level by the World Bank; and
- | Does not benefit from another arrangement, such as a preferential free trade agreement, granting preferential access to the EU market.

There is no separate application that has to be made to obtain the Standard GSP benefits.

Products covered and corresponding tariff rates under the Standard GSP

The products to which the Standard GSP applies are listed in Annex V to the GSP Regulation. The tariff reductions depend on various factors, notably whether a product is considered sensitive.³⁵⁵

GSP-eligible products are listed in groups and include:

- | Certain agricultural products and fisheries;
- | Coffee and tea;
- | Chemical products;
- | Chemically pure fructose and maltose, and confectionary;
- | Certain beverages and spirits;
- | Tobacco;
- | Mineral fuels;
- | Cement;
- | Organic chemicals;
- | Plastic;
- | Articles of leather;
- | Wood and articles of wood, wood charcoal;
- | Textiles (including silk, wool, cotton, and other vegetable textile fibres, synthetic fibres);
- | Apparel;
- | Footwear;
- | Articles of stone, plaster, cement and asbestos;
- | Ceramic products, glass and glassware;
- | Nuclear reactors, boilers, machinery and mechanical appliances and parts thereof; and
- | Electric machinery and equipment.

The amount of tariff reduction under the Standard GSP arrangement depends on several factors, notably whether the product is considered sensitive or non-sensitive. Annex V of the GSP Regulation provides details of whether the product is considered as sensitive or non-sensitive.

In this context, tariff reductions are organized as follows:

Sensitive products	Specific duties (other than minimum and maximum duties) are reduced by 30% OR <i>Ad valorem</i> duties are reduced by 3.5% and, in the case of textile and clothing products, by 20%.
Non-sensitive products	Duties are entirely suspended

Product sector – graduation

According to Article 8(1) of the GSP Regulation, tariff preferences are subject to sector graduation, which means that preferences will generally be suspended in cases where the average value of EU imports of a given product, in three consecutive years, exceeds 57% of the total EU imports of that product from all GSP beneficiaries. This threshold is set at 47.2% with respect to textile and clothing goods and at 17.5% with respect to trees and plants, fats and oils, and certain chemical substances.

For the period 2020–22, the European Commission (hereinafter, Commission) has adopted a list of graduated sectors and suspended tariff preferences for certain products from India, Indonesia and Kenya.³⁵⁶ For example, considering that the average value of EU imports of, for example, *textiles* from India, and *wood and articles of wood; wood charcoal* from Indonesia exceeded the thresholds listed in Annex VI of the GSP Regulation in three consecutive years, the EU suspended preference for these products from those countries.

Cessation of Standard GSP benefits

Standard GSP benefits can cease to apply in the following circumstances:

- i. **Classification as a high-income or an upper-middle income country, by the World Bank, during three consecutive years immediately preceding the update of the list of beneficiary countries.**

If the Standard GSP beneficiary is classified as a high-income or upper-middle income country during three consecutive years immediately before the list of beneficiary countries is updated, the country will no longer be eligible for preferences under the Standard GSP arrangement and the GSP+ scheme.

For the current 2021 fiscal year, the World Bank categorizes the economies by their gross national income (GNI) levels, per capita, as follows:

World Bank categorization of economies

Categorization	GNI per capita*
Low-income economies	\$1,035 or less
Lower-middle income economies	\$1,036–\$4,045
Upper-middle income economies	\$4,046–\$12,535
High-income economies	\$12,535 or more

*Calculated using the World Bank Atlas method in 2019. Lao PDR is currently listed as a lower-middle income economy.

- ii. **Benefit from preferential market access arrangement that provides the same tariff preferences as the scheme, or better, for substantially all trade.**

If the EU separately concludes a preferential trade agreement with a GSP beneficiary country, which provides the same tariff preferences as the Standard GSP, or better, for substantially all trade, then that country would become ineligible for the Standard GSP scheme and the GSP+.

The EU is currently not negotiating any further trade agreement with Lao PDR. While a region-to-region trade agreement between the EU and ASEAN members is still considered a long-term objective, the EU is currently focusing on bilateral negotiations with certain individual ASEAN member states. Agreements have been concluded with Singapore and Viet Nam, and negotiations are currently ongoing with Indonesia.

- iii. **Temporary withdrawal in light of serious and systematic violations**

As noted in the table above, Article 19 of the EU GSP Regulation provides, with respect to **all schemes under the GSP Regulation**, that preferences can be withdrawn in case of:

- | Serious and systematic violation of principles laid down in the conventions listed in Part A of Annex VIII;
- | Export of goods made by prison labour;
- | Serious shortcomings in customs controls on the export or transit of drugs (illicit substances or precursors), or failure to comply with international conventions on anti-terrorism and money laundering;
- | Serious and systematic unfair trading practices, including those affecting the supply of raw materials, which have an adverse effect on the EU industry and that have not been addressed by the beneficiary country. For those unfair trading practices, which are prohibited or actionable under the WTO agreements, the application of this Article shall be based on a previous determination to that effect by the competent WTO body; and
- | Serious and systematic infringement of the objectives adopted by regional fishery organizations or any international arrangements to which the EU is a party concerning the conservation and management of fishery resources.

In addition, Article 21(1) of the GSP Regulation provides for another instance of temporary withdrawal **common to all EU's GSP arrangements** in cases of fraud or irregularities or failure to comply with, or to implement, the rules on the origin of the covered products, as well as to grant administrative cooperation to implement and police the preferential arrangements.

GSP+ scheme

Conditions to benefit from GSP+ scheme

Article 9 of the GSP Regulation provides that a GSP beneficiary country can benefit from the GSP+ scheme only if the following conditions are met:

| It is considered to be vulnerable due to a lack of diversification and insufficient integration within the international trading system (as defined in Article 9(1)(a) and Annex VII of the GSP Regulation). More specifically – the **economic vulnerability criteria index** indicates that the country is required to comply with:

- Non-diversification criterion – i.e. the country's seven largest sections of GSP-covered exports to the EU represent more than 75% in value of its total GSP-covered exports to the EU, as an average during the last three consecutive years; and
- Import share criterion – i.e. the country's GSP-covered imports into the EU represent less than 2% in value of imports by all GSP beneficiaries, as an average during the last three consecutive years.

| It has ratified all the conventions listed in Annex VIII of the GSP Regulation and the most recent available conclusions of the monitoring bodies under those conventions do not identify a serious failure to effectively implement any of those conventions. Further, in relation to these conventions, the country needs to also meet the following:

- In relation to any of the relevant conventions, it has not formulated a reservation that is prohibited by any of those conventions or that is considered to be incompatible with the object and purpose of that convention;
- It gives a binding undertaking to maintain ratification of the relevant conventions and to ensure the effective implementation thereof;
- It accepts without reservation the reporting requirements imposed by each convention and gives a binding undertaking to accept regular monitoring and review of its implementation record in accordance with the provisions of the relevant conventions; and
- It gives a binding undertaking to participate in and cooperate with the monitoring procedure referred to in Article 13.

The status of beneficiary under the GSP+ scheme is not automatic, but requires that a GSP beneficiary submit an application to that effect, and that it is granted following an evaluation by the European Commission of compliance with the relevant conditions and requirements.

Products covered and corresponding tariff rates under the GSP+ scheme

The GSP+ scheme applies to substantially the same products as the basic GSP scheme. However, the GSP+ arrangement makes no distinction between sensitive and non-sensitive products. Annex IX to the GSP Regulation, which concerns the product coverage of the GSP+ scheme, lists products at the two-, four-, six- or eight-digit level, depending on the products concerned.

As under the Standard GSP, according to Article 8(1) of the GSP Regulation, tariff preferences are subject to sector graduation, which means that preferences will generally be suspended in cases where the average value of EU imports of a given product, during three consecutive years, exceeds 57% of the total EU imports of that product from all GSP beneficiaries. This threshold is set at 47.2% with respect to textile and clothing goods and at 17.5% with respect to trees and plants, fats and oils, and certain chemical substances.

Compliance with conventions

Annex VIII of the GSP Regulation lists the 27 conventions referred to in Article 9 of the GSP Regulation. These conventions are organized in two parts:

- | Part A lists 15 conventions dealing with "core human and labour rights UN/ILO Conventions"; and
- | Part B deals with 12 "conventions related to the environment and to governance principles".

The full list of conventions referred to in Article 9 of the GSP Regulation can be found in Annex VIII of the GSP Regulation and is provided in **Annex II** of this guide.³⁵⁷

The GSP Regulation caters for specific mechanisms tailored to track the implementation of the conventions. In order to ascertain whether a beneficiary country continues to adhere to the conditions of sustainable development and good governance, the Commission will keep a beneficiary country's status as

it pertains to the implementation of the relevant conventions under review. The Commission will regularly examine the conclusions and recommendations of the monitoring bodies established under the relevant international conventions. In this respect, a beneficiary country is required to cooperate with the Commission in supplying all the necessary information.³⁵⁸

Monitoring and reporting of compliance by GSP+ beneficiary

Since 1 January 2016, and every two years after that date, the Commission is required to present a report to the European Parliament and to the Council regarding the status of ratification of the relevant conventions by all GSP+ beneficiary countries and their compliance with the reporting obligations under those conventions and effective implementation thereof.³⁵⁹

Such reports include the conclusions and recommendations of the relevant monitoring bodies, as well as the Commission's conclusion as to whether the beneficiary countries have complied with the sustainable development and good governance conditions. In drawing its conclusions, the Commission will assess the conclusions and recommendations of the relevant monitoring bodies, as well as, without prejudice to other sources, information submitted by third parties.

The GSP Regulation provides for continuous monitoring of the GSP+ beneficiaries' obligations.³⁶⁰ Once a country is granted GSP+, the Commission and the European External Action Service (EEAS) must, therefore, monitor that it abides by its commitments, namely to:

- | Maintain ratification of the international conventions covered by GSP+;
- | Ensure their effective implementation;
- | Comply with reporting requirements;
- | Accept regular monitoring in accordance with the conventions; and
- | Cooperate with the Commission and provide all necessary information.³⁶¹

In order to meet its monitoring responsibility, the Commission prepares a list of issues (i.e. a "scorecard") for each GSP+ beneficiary, which serves to measure the GSP+ countries' compliance with the above-mentioned commitments. Beneficiaries receive their individual scorecard upon GSP+ entry or immediately thereafter.

The scorecard is a clearly structured document highlighting the salient shortcomings, which should be addressed by the beneficiary in order to effectively implement the conventions. The basic elements of the scorecard are the shortcomings identified by the monitoring bodies of the relevant core international conventions, which are set out by the Commission in its assessment of the GSP+ entry applications.³⁶²

The Commission and the EEAS establish a dialogue on GSP+ compliance with the authorities of the beneficiary countries, drawing their attention to the areas identified in the scorecards. In particular, at regular intervals (at least once a year), they engage with the beneficiaries, which are expected to demonstrate their serious efforts towards tackling the issues set out in the scorecards. Over time, other information can be added to the scorecards, as submitted by the relevant stakeholders (i.e. civil society, social partners or business), the European Parliament and the Council.

Therefore, businesses, and the information that they can contribute, play an important role with respect to the EU's monitoring mechanism and the respective beneficiary "scorecards". If, in the future, Lao PDR became a GSP+ beneficiary country, businesses in Lao PDR should play an active role, supporting Lao PDR GSP status as a beneficiary country.

Cessation of GSP+ benefits

As noted above, countries are no longer eligible for GSP+ benefits when:

- | The Standard GSP beneficiary is classified as a high-income or upper-middle income country during three consecutive years immediately before the list of beneficiary countries is updated; and
- | The EU separately concludes a preferential trade agreement with a GSP beneficiary country, which provides the same tariff preferences as the Standard GSP, or better, for substantially all trade.

GSP+ benefits can cease to apply in the following cases:

- i. If the country no longer fulfils the economic vulnerability criteria as defined in Annex VII of the GSP Regulation;
- ii. If the country no longer fulfils its obligations relating to reservations to the relevant international

conventions, or if it withdraws any of its binding undertakings relating to ratification, effective implementation, acceptance of reporting requirements, and cooperating with the monitoring procedure.³⁶³

A **temporary withdrawal** of the GSP+ scheme can occur where a country does not respect its binding undertakings related to the ratification and implementation of the relevant international conventions or it has formulated a reservation, which is prohibited by, or is incompatible with, the object or purpose of the conventions.³⁶⁴

Annex II

List of conventions referred to in Article 9 of the GSP Regulation (GSP+ Scheme)

Part A: Core human and labour rights UN/International Labour Organization (ILO) conventions

1. Convention on the Prevention and Punishment of the Crime of Genocide (1948) (Lao PDR acceded on 8 Dec 1950);
2. International Convention on the Elimination of All Forms of Racial Discrimination (1965) (Lao PDR ratified in 1974);
3. International Covenant on Civil and Political Rights (1966) (Lao PDR ratified in 2009);
4. International Covenant on Economic Social and Cultural Rights (1966) (Lao PDR ratification in 2007);
5. Convention on the Elimination of All Forms of Discrimination Against Women (1979) (Lao PDR ratified in 1981);
6. Convention Against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (1984) (Lao PDR ratified in 2012);
7. Convention on the Rights of the Child (1989) (Lao PDR ratified in 1991);
8. Convention concerning Forced or Compulsory Labour, No. 29 (1930) (Lao PDR ratified on 23 January 1964);
9. Convention concerning Freedom of Association and Protection of the Right to Organise, No. 87 (1948) (Lao PDR has not ratified this convention);
10. Convention concerning the Application of the Principles of the Right to Organise and to Bargain Collectively, No. 98 (1949) (Lao PDR has not ratified this convention);
11. Convention concerning Equal Remuneration of Men and Women Workers for Work of Equal Value, No. 100 (1951) (Lao PDR ratified on 13 June 2008);
12. Convention concerning the Abolition of Forced Labour, No. 105 (1957) (Lao PDR has not ratified this convention);
13. Convention concerning Discrimination in Respect of Employment and Occupation, No. 111 (1958) (Lao PDR ratified on 13 June 2008);
14. Convention concerning Minimum Age for Admission to Employment, No. 138 (1973) (Lao PDR ratified on 13 June 2005); and
15. Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, No. 182 (1999) (Lao PDR ratified on 13 June 2005).

Part B: Conventions related to the environment and to governance principles

16. Convention on International Trade in Endangered Species of Wild Fauna and Flora (1973) (Lao PDR ratified on 30 May 2004);
17. Montreal Protocol on Substances that Deplete the Ozone Layer (1987) (Lao PDR acceded on 21 August 1998);
18. Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (1989) (Lao PDR acceded on 20 December 2010);
19. Convention on Biological Diversity (1992) (Lao PDR ratified on 20 September 1996);

20. The United Nations Framework Convention on Climate Change (1992) (Lao PDR ratified on 4 January 1995);
21. Cartagena Protocol on Biosafety (2000) (Lao PDR ratified on 3 August 2004);
22. Stockholm Convention on Persistent Organic Pollutants (2001) (Lao PDR ratified on 28 June 2006);
23. Kyoto Protocol to the United Nations Framework Convention on Climate Change (1998) (Lao PDR ratified on 6 February 2003);
24. United Nations Single Convention on Narcotic Drugs (1961) (Lao PDR has not ratified this convention);
25. United Nations Convention on Psychotropic Substances (1971) (Lao PDR acceded on 22 September 1997);
26. United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988) (Lao PDR acceded on 1 October 2004); and
27. United Nations Convention against Corruption (2004) (Lao PDR ratified on 25 September 2009).

ENDNOTES

¹ See <https://gsphub.eu/country-info/Lao%20People's%20Democratic%20Republic>.

² ITC, Export Potential in Lao PDR: Processed Wood and Speciality Agriculture (2019). Available from https://umbraco.export-potential.intracen.org/media/1148/lao-report_final-draft.pdf.

³³ A consolidated version of the EU GSP Regulation is available at <http://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32012R0978>.

⁴ List of GSP beneficiary countries, European Commission (2019). Available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02012R0978-20200812>.

⁵ See Article 4(1) of the GSP Regulation.

⁶ Refer to Annex II of GSP Regulation. Currently, 15 countries export to the EU under the terms of the general arrangement: the Congo, Cook Islands, India, Indonesia, Kenya, Micronesia, Nauru, Nigeria, Niue, Samoa, Syrian Arab Republic, Tajikistan, Tonga, Uzbekistan and Viet Nam. Following the recent entry into force of the EU–Vietnam Free Trade Agreement, Viet Nam will soon cease to benefit from the EU's GSP scheme.

⁷ In particular, the country is required to comply with: (i) the non-diversification criterion (i.e. the country's seven largest sections of GSP-covered imports represent more than 75% in value of its total GSP-covered imports into the EU, as an average during the last three consecutive years); and (ii) the import–share criterion (i.e. the country's GSP-covered imports into the EU represent less than 2% in value of imports by all GSP beneficiaries, as an average during the last three consecutive years).

⁸ Refer to Article 9 of the GSP Regulation, and Annex I for the full list of criteria to benefit from the GSP+ scheme.

⁹ See <https://www.un.org/development/desa/dpad/least-developed-country-category/ldcs-at-a-glance.html>.

¹⁰ Article 18 of Regulation (EU) No. 978/2012 of the European Parliament and of the Council of 25 October 2012 applying a scheme of generalized tariff preferences and repealing Council Regulation (EC) No. 732/2008, OJ L 303, 31.10.2012.

¹¹ Refer to Annex V of the GSP Regulation.

¹² See Article 7 of the GSP Regulation.

¹³ Refer to Annex IX of the GSP Regulation. See also European Commission, The EU's new Generalised Scheme of Preferences (GSP), p. 14, available at https://trade.ec.europa.eu/doclib/docs/2012/december/tradoc_150164.pdf.

¹⁴ Article 17(2) of the GSP Regulation.

¹⁵ Article 5(2)(a) of the GSP Regulation.

¹⁶ Article 10(5) of the GSP Regulation.

¹⁷ Refer to Article 8(1) of the GSP Regulation.

¹⁸ Commission Implementing Regulation (EU) 2019/249 of 12 February 2019 suspending the tariff preferences for certain GSP beneficiary countries in respect of certain GSP sections in accordance with Regulation (EU) No. 978/2012 of the European Parliament and of the Council applying a scheme of generalized tariff preferences for the period of 2020–22, OJ L 42, 13.2.2019, PP. 6–8, available at <https://eur-lex.europa.eu/legal-content/GA/ALL/?uri=CELEX:32019R0249>.

¹⁹ Thresholds are listed in Annex VI of the GSP Regulation.

²⁰ Article 5(2)(b) of the GSP Regulation.

²¹ Refer to Articles 19 and 21(1) of the EU GSP Regulation.

²² See European Commission (12 August 2020). 'Cambodia loses duty-free access to the EU market over human rights concerns'. Available at https://ec.europa.eu/commission/presscorner/detail/en/IP_20_1469.

²³ Article 15 of the GSP Regulation.

²⁴ Regulation (EU) No. 978/2012 of the European Parliament and of the Council of 25 October 2012 applying a scheme of generalized tariff preferences and repealing Council Regulation (EC) No. 732/2008, EUR-Lex, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32012R0978>.

²⁵ Regulation (EU) No. 978/2012 of the European Parliament and of the Council of 25 October 2012 applying a scheme of generalized tariff preferences and repealing Council Regulation (EC) No. 732/2008, OJ L 303, 31.10.2012, PP. 1–82. Available at https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=uriserv%3AOJ.L_.2012.303.01.0001.01.ENG.

²⁶ Further information is available at <https://www.gov.uk/guidance/trading-with-developing-nations-during-and-after-the-transition-period#the-uk-generalised-scheme-of-preferences-from-1-january-2021>.

²⁷ See Lao PDR Trade Portal, Notification No. 0612/DoP of 10 April 2013, Available at <http://www.laotradeportal.net/index.php?r=site/display&id=402> and <https://www.laotradeportal.gov.la/index.php?r=site/display&id=403>

²⁸ See Lao PDR Trade Portal, <https://www.laotradeportal.gov.la/index.php?r=tradeInfo/listAll>.

²⁹ Further information is available on the Lao PDR Trade Portal at <https://www.laotradeportal.gov.la/index.php?r=searchProcedure/view1&id=7>.

³⁰ See Lao PDR Trade Portal, <https://www.laotradeportal.gov.la/index.php?r=searchProcedure/view1&id=5>.

³¹ See Lao PDR Trade Portal, <https://www.laotradeportal.gov.la/index.php?r=searchProcedure/view1&id=8>.

³² This checklist has been prepared on the basis of the checklist drawn up by the United Nations Conference on Trade and Development (UNCTAD) in *Generalized Scheme of Preferences, Handbook on the Scheme of the European Community*, New York and Geneva, 2008, P. xi.

³³ Article 33 of the GSP Regulation.

³⁴ Articles 37 and 41–58 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No. 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02015R2446-20190725>, and Articles 60 and 70–112 of Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No. 952/2013 of the European Parliament and of the Council laying down the Union Customs Code, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02015R2447-20180421>.

³⁵ Annex 22-03 'Introductory notes and list of working or processing operations which confer originating status' of Commission Delegated Regulation (EU) 2015/2446. Notably, Note 2(2.5) of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No. 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code states that: "In most cases, the rule(s) set out in column 3 shall apply to all beneficiary countries listed in Annex II to Regulation (EU) No 978/2012. However, for some products originating in beneficiary countries of the special arrangement

for least developed countries, as listed in Annex IV to Regulation (EU) No 978/2012 ('LDC beneficiary countries'), a less stringent rule shall apply. In these cases, column 3 is split into two subcolumns, (a) and (b), with subcolumn (a) showing the rule applicable to LDC beneficiary countries and subcolumn (b) showing the rule applicable to all other beneficiary countries as well as to exports from the European Union to a beneficiary country for the purposes of bilateral cumulation". OJ L 343, 29.12.2015, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R2446>.

³⁶ TARIC is the EU's integrated tariff, published annually. It is based on the EU's CN and constitutes the basic nomenclature for the Common Customs Tariff as well as for trade statistics. The legal base of the TARIC is Council Regulation (EEC) No. 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 07/09/1987, as amended). The TARIC can be consulted at http://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp.

³⁷ See Annex I to Council Regulation (EEC) No. 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A31987R2658>. The information is also provided in the EU's Access2Markets database at <https://trade.ec.europa.eu/access-to-markets/en/home>.

³⁸ Article 33 of the GSP Regulation.

³⁹ Articles 37 and 41–58 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No. 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02015R2446-20190725>, and Articles 60 and 70–112 of Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No. 952/2013 of the European Parliament and of the Council laying down the Union Customs Code, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02015R2447-20180421>.

⁴⁰ Annex 22-03 'Introductory notes and list of working or processing operations which confer originating status' of Commission Delegated Regulation (EU) 2015/2446. Notably, Note 2(2.5) of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No. 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code states that: "In most cases, the rule(s) set out in column 3 shall apply to all beneficiary countries listed in Annex II to Regulation (EU) No 978/2012. However, for some products originating in beneficiary countries of the special arrangement for least developed countries, as listed in Annex IV to Regulation (EU) No 978/2012 ('LDC beneficiary countries'), a less stringent rule shall apply. In these cases, column 3 is split into two subcolumns, (a) and (b), with subcolumn (a) showing the rule applicable to LDC beneficiary countries and subcolumn (b) showing the rule applicable to all other beneficiary countries as well as to exports from the European Union to a beneficiary country for the purposes of bilateral cumulation", OJ L 343, 29.12.2015, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R2446>.

⁴¹ Articles 41(a) and 44 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015.

⁴² Article 45 and Annex 22-03 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015.

⁴³ Annex 22-03 to Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015.

⁴⁴ Article 53 of Commission Delegated Regulation (EU) 2015/2446.

⁴⁵ Laid down in Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015, available at http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.343.01.0001.01.ENG.

⁴⁶ Article 55 of Commission Delegated Regulation (EU) 2015/2446.

⁴⁷ Article 55(1)(a) of Commission Delegated Regulation (EU) 2015/2446.

⁴⁸ Article 56 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015.

⁴⁹ See Annex I to Council Regulation (EEC) No. 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A31987R2658>. The information is also provided in the EU's Access2Markets database at <https://trade.ec.europa.eu/access-to-markets/en/home>.

⁵⁰ Refer to <https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/> for list of agreements maintained by the EU.

⁵¹ Article 55(5) and (6) of Commission Delegated Regulation (EU) 2015/2446.

⁵² Article 48 of Commission Delegated Regulation (EU) 2015/2446.

⁵³ Article 48(1) of Commission Delegated Regulation (EU) 2015/2446.

⁵⁴ Refer Notes 6 and 7 of Part I of Annex 22-03 of Commission Delegated Regulation (EU) 2015/2446.

⁵⁵ Articles 47 and 49(2) of Commission Delegated Regulation (EU) 2015/2446.

⁵⁶ Article 64(6) of Regulation (EU) No. 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code OJ L 269, 10.10.2013, available at <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32013R0952>.

⁵⁷ The guide is available at https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin/a-guide-users-gsp-rules-origin_en.

⁵⁸ See <https://trade.ec.europa.eu/access-to-markets/en/content/rules-origin-access2markets>.

⁵⁹ See <https://findrulesoforigin.org/>.

⁶⁰ The relevant details are provided in Commission Implementing Regulation (EU) 2015/2447 of 24 November 2015 laying down detailed rules for implementing certain provisions of Regulation (EU) No. 952/2013 of the European Parliament and of the Council laying down the Union Customs Code, OJ L 343, 29.12.2015, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32015R2447>.

⁶¹ Refer to <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32015R2447>.

⁶² European Commission, 'REX – Registered Exporter system', available at https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin/arrangements-list/generalised-system-preferences/the_register_exporter_system_en.

⁶³ Article 78 of Commission Implementing Regulation (EU) 2015/2447.

⁶⁴ Article 85(4) of Commission Implementing Regulation (EU) 2015/2447.

⁶⁵ Article 85(4) and Article 86(4) of Commission Implementing Regulation (EU) 2015/2447.

⁶⁶ See European Commission, 'REX – Registered Exporter system', available at https://ec.europa.eu/taxation_customs/business/calculation-customs-duties/rules-origin/general-aspects-preferential-origin/arrangements-list/generalised-system-preferences/the_register_exporter_system_en.

⁶⁷ Article 72(1)(a) Commission Implementing Regulation (EU) 2015/2447.

⁶⁸ Refer to Annex 22-06 of Commission Implementing Regulation (EU) 2015/2447.

⁶⁹ See 'Decision on the Implementation of Self-Certification of Origin under the Pilot Project of European Union', available at http://www.laotradeportal.gov.la/kcfinder/upload/files/2017_MOIC_0087_ENG.pdf.

⁷⁰ Article 91 of Commission Implementing Regulation (EU) 2015/2447.

⁷¹ Article 79 and Article 89(2) of Commission Implementing Regulation (EU) 2015/2447.

⁷² For further information, see European Commission, 'The single administrative document (SAD)', available at http://ec.europa.eu/taxation_customs/business/customs-procedures/general-overview/single-administrative-document-sad_en.

⁷³ Paragraph 1 of Article 22 of the GSP Regulation.

⁷⁴ Section II of Chapter VI of the EU's GSP Regulation.

⁷⁵ Subparagraphs (a) and (b) of Paragraph 1 of Article 29 of the GSP Regulation.

⁷⁶ See <https://trade.ec.europa.eu/access-to-markets/en/content>.

⁷⁷ See <https://findrulesoforigin.org/>.

⁷⁸ ITC, Export Potential in Lao PDR: Processed Wood and Specialty Agriculture (2019); ITC, Trade Implications of Lao PDR's graduation from LDC status (2020), <https://www.intracen.org/arise-plus-laos/publications/>.

⁷⁹ See https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_laos_en.pdf.

⁸⁰ Trade Map, ITC, available at

https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c418%7c%7c%7cTO-TAL%7c%7c%7c2%7c1%7c1%7c2%7c1%7c1%7c2%7c1%7c1%7c1 (accessed on 12 October 2020).

⁸¹ Trade Helpdesk, European Commission, available at https://trade.ec.europa.eu/tradehelp/statistics##node_56304 (accessed on 12 October 2020).

⁸² Article 33 of the GSP Regulation.

⁸³ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, OJ L 343, 29.12.2015, PP. 1–557, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32015R2446>.

⁸⁴ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, OJ L 343, 29.12.2015, PP. 1–557, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32015R2446>.

⁸⁵ Article 48 of Commission Delegated Regulation (EU) 2015/2446.

⁸⁶ Article 55 of Commission Delegated Regulation (EU) 2015/2446.

⁸⁷ Article 55(1)(a) of Commission Delegated Regulation (EU) 2015/2446.

⁸⁸ Regional cumulation: In relation to the four regional groups recognized by the EU's GSP, materials originating in one country of the group, which are further worked or processed in another beneficiary country of the same group, are considered to originate in the latter country (Article 55 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015). Article 55(1)(a) of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 assigns Lao PDR to the regional cumulation Group I, which includes the following other ASEAN member states: Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Thailand and Viet Nam.

⁸⁹ As set out in: Regulation (EC) 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No. 793/93 and Commission Regulation (EC) 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32006R1907>.

⁹⁰ Council Regulation (EC) 338/97 of 9 December 1996 on the protection of species of wild fauna and flora by regulating trade therein, OJ L 61, 03.03.1997, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:31997R0338>.

⁹¹ Regulation (EU) 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No. 765/2008 and (EU) No. 305/2011, OJ L 169, 25.6.2019, PP. 1–44, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32019R1020>.

⁹² Replacing the market surveillance provisions of Regulation (EC) 765/2008.

⁹³ Regulation (EU) 1007/2011 of the European Parliament and of the Council of 27 September 2011 on textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council, OJ L 272 18.10.2011, P. 1, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32011R1007>.

⁹⁴ Regulation (EU) 1007/2011 of the European Parliament and of the Council of 27 September 2011 on textile fibre names and related labelling and marking of the fibre composition of textile products and repealing Council Directive 73/44/EEC and Directives 96/73/EC and 2008/121/EC of the European Parliament and of the Council, OJ L 272 18.10.2011, P. 1, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32011R1007>.

⁹⁵ Article 2(4) of Regulation (EU) 1007/2011.

⁹⁶ Article 17(4) of Regulation 1007/2001.

⁹⁷ Article 7 of Regulation 1007/2001.

⁹⁸ Article 7 of Regulation 1007/2001.

⁹⁹ Article 11 of Regulation 1007/2001.

¹⁰⁰ Article 10 of Regulation 1007/2001.

¹⁰¹ Article 12 of Regulation 1007/2001.

¹⁰² Article 9(4) of Regulation 1007/2001.

¹⁰³ Annex I to Regulation 1007/2001.

¹⁰⁴ Article 9(3) of Regulation 1007/2001.

¹⁰⁵ Regulation (EC) 66/2010 of the European Parliament and of the Council of 25 November 2009 on the EU Ecolabel, OJ L 27, 30.01.2010, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32010R0066>.

¹⁰⁶ Commission Decision of 9 July 2009 establishing the ecological criteria for the award of the Community Ecolabel for textile products, OJ L 197, 29.07.2009, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009D0607&from=EN>.

¹⁰⁷ See https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_laos_en.pdf.

¹⁰⁸ ITC Trade Map, available at

https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c418%7c%7c%7cTO-TAL%7c%7c%7c2%7c1%7c1%7c2%7c1%7c1%7c2%7c1%7c1%7c1 (accessed on 12 October 2020).

¹⁰⁹ Trade Helpdesk, European Commission, available at https://trade.ec.europa.eu/tradehelp/statistics##node_56304 (accessed on 12 October 2020).

¹¹⁰ Article 33 of the GSP Regulation.

¹¹¹ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, OJ L 343, 29.12.2015, PP. 1–557, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32015R2446>.

¹¹² As set out in Regulation (EC) 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No. 793/93 and Commission Regulation (EC) 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32006R1907>.

¹¹³ Council Regulation (EC) 338/97 of 9 December 1996 on the protection of species of wild fauna and flora by regulating trade therein, OJ L 61, 03.03.1997, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:31997R0338>.

¹¹⁴ Regulation (EU) 517/2014 of the European Parliament and of the Council of 16 April 2014 on fluorinated greenhouse gases and repealing Regulation (EC) No. 842/2006, OJ L 150, 20.5.2014, PP. 195–230, available at <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32014R0517>.

¹¹⁵ Annex III to Regulation (EU) 517/2014 of the European Parliament and of the Council of 16 April 2014 on fluorinated greenhouse gases and repealing Regulation (EC) No. 842/2006, OJ L 150, 20.5.2014, PP. 195–230, available at <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32014R0517>.

¹¹⁶ Regulation (EU) 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No. 765/2008 and (EU) No. 305/2011, OJ L 169, 25.6.2019, P. 1–44, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32019R1020>.

¹¹⁷ Replacing the market surveillance provisions of Regulation (EC) 765/2008.

¹¹⁸ Regulation (EU) 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products.

¹¹⁹ Directive 94/11/EC of European Parliament and Council of 23 March 1994 on the approximation of the laws, regulations and administrative provisions of the Member States relating to labelling of the materials used in the main components of footwear for sale to the consumer OJ L 100, 19.4.1994, P. 37, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:31994L0011>.

¹²⁰ Provided for in Article 4 of the Directive 94/11/EC.

¹²¹ Directive 94/11/EC.

¹²² See the EU's overview on "Ensuring safe personal protective equipment for users", available at https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISSUM:2403020202_4.

¹²³ Regulation (EU) 2016/425 of the European Parliament and of the Council of 9 March 2016 on personal protective equipment and repealing Council Directive 89/686/EEC, OJ L 81, 31.03.2016, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016R0425>. Further information is available at https://ec.europa.eu/growth/sectors/mechanical-engineering/personal-protective-equipment_en.

¹²⁴ Annex II to Regulation (EU) 2016/425.

¹²⁵ Further information is available at <https://ec.europa.eu/environment/ecolabel/products-groups-and-criteria.html>.

¹²⁶ Commission Decision (EU) 2016/1349 of 5 August 2016 establishing the ecological criteria for the award of the EU Ecolabel for footwear, OJ L 214, 9.8.2016, PP. 16–52, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1474291291801&uri=CELEX:32016D1349>.

¹²⁷ The factsheet is available at https://ec.europa.eu/environment/ecolabel/documents/factsheet_footwear.pdf.

¹²⁸ Article 38 of the Treaty on the Functioning of the EU, OJ C 326, 26.10.2012, PP. 47–390, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:12012E/TXT>.

¹²⁹ See https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_laos_en.pdf.

¹³⁰ European Union, Trade in goods with Laos, European Commission (8 May 2020), available at https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_laos_en.pdf (accessed on 12 October 2020).

¹³¹ Products subject to the Agricultural Agreement of the World Trade Organization (WTO).

¹³² Export Potential in Lao PDR, Processed Wood and Specialty Agriculture, ITC, P. 19, 21 June 2019.

¹³³ Export Potential in Lao PDR, Processed Wood and Specialty Agriculture, ITC, P. 19, 21 June 2019.

¹³⁴ Export Potential in Lao PDR, Processed Wood and Specialty Agriculture, ITC, P. 19, 21 June 2019.

¹³⁵ ITC Trade Map, available at

[https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c418%7c%7c%7cTO-TAL%7c%7c%7c1%7c1%7c2%7c1%7c1%7c1%7c1%7c1%7c1](https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c418%7c%7c%7cTO-TAL%7c%7c%7c1%7c1%7c2%7c1%7c1%7c2%7c1%7c1%7c1%7c1) (accessed on 12 October 2020).

¹³⁶ Trade Helpdesk, European Commission, available at https://trade.ec.europa.eu/tradehelp/statistics##node_56304 (accessed on 12 October 2020).

¹³⁷ Article 33 of the GSP Regulation.

¹³⁸ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No. 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code OJ L 343, 29.12.2015, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R2446>.

¹³⁹ Footnote 1 referred to in the Column 3 corresponding to Chapter 8 refers to Introductory Note 4.2, which states that, in cases where the content of non-originating sugar in a given product is subject to limitations, the weight of sugars of Headings 1701 (sucrose) and 1702 (e.g. fructose, glucose, lactose, maltose, isoglucose or invert sugar) used in the manufacture of the final product and used in the manufacture of the non-originating products incorporated into the final product is taking into account for calculation of such limitations.

¹⁴⁰ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No. 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code OJ L 343, 29.12.2015, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R2446>.

¹⁴¹ Article 37 of Commission Delegated Regulation (EU) No. 2015/2446.

¹⁴² Annex 22-04 to Commission Delegated Regulation (EU) No. 2015/2446.

¹⁴³ Regulation (EU) No. 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organization of the markets in agricultural products and repealing Council Regulations (EEC) No. 922/72, (EEC) No. 234/79, (EC) No. 1037/2001 and (EC) No. 1234/2007 OJ L 347, 20.12.2013, PP. 671–854, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02013R1308-20190101>.

¹⁴⁴ For more information, see: European Commission, The common organisation of agricultural markets in the EU, available at https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISSUM:0302_1.

¹⁴⁵ Regulation (EU) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products, amending Regulations (EC) No. 999/2001, (EC) No. 396/2005, (EC) No. 1069/2009, (EC) No. 1107/2009, (EU) No. 1151/2012, (EU) No. 652/2014, (EU) 2016/429 and (EU) 2016/2031 of the European Parliament and of the Council, Council Regulations

(EC) No. 1/2005 and (EC) No. 1099/2009 and Council Directives 98/58/EC, 1999/74/EC, 2007/43/EC, 2008/119/EC and 2008/120/EC, and repealing Regulations (EC) No. 854/2004 and (EC) No. 882/2004 of the European Parliament and of the Council, Council Directives 89/608/EEC, 89/662/EEC, 90/425/EEC, 91/496/EEC, 96/23/EC, 96/93/EC and 97/78/EC and Council Decision 92/438/EEC OJ L 95, 7.4.2017, PP. 1–142, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32017R0625>.

¹⁴⁶ Commission Decision 2011/163/EU, as amended.

¹⁴⁷ See https://ec.europa.eu/food/safety/international_affairs/trade/non-eu-countries_en.

¹⁴⁸ See https://webgate.ec.europa.eu/sanco/traces/output/LA/ABP-FSB_LA_en.pdf.

¹⁴⁹ Article 47 of the Official Controls Regulation.

¹⁵⁰ Article 45 of the Official Controls Regulation.

¹⁵¹ See Article 44(3) of the Official Controls Regulation.

¹⁵² Article 44(4) of the Official Controls Regulation.

¹⁵³ Annex I to Commission Implementing Regulation (EU) 2019/1793 of 22 October 2019 on the temporary increase of official controls and emergency measures governing the entry into the Union of certain goods from certain third countries implementing Regulations (EU) 2017/625 and (EC) 178/2002 of the European Parliament and of the Council and repealing Commission Regulations (EC) 669/2009, (EU) 884/2014, (EU) 2015/175, (EU) 2017/186 and (EU) 2018/1660.

¹⁵⁴ Commission Implementing Regulation (EU) 2019/1793 of 22 October 2019 on the temporary increase of official controls and emergency measures governing the entry into the Union of certain goods from certain third countries implementing Regulations (EU) 2017/625 and (EC) No. 178/2002 of the European Parliament and of the Council and repealing Commission Regulations (EC) No. 669/2009, (EU) No. 884/2014, (EU) 2015/175, (EU) 2017/186 and (EU) 2018/1660, OJ L 277, 29.10.2019, PP. 89–129, available at <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32019R1793>.

¹⁵⁵ Article 6 of Commission Implementing Regulation (EU) 2019/1793.

¹⁵⁶ Annex II to Commission Implementing Regulation (EU) 2019/1793.

¹⁵⁷ Article 10 of Commission Implementing Regulation (EU) 2019/1793.

¹⁵⁸ Commission Regulation (EC) No. 1881/2006 of 19 December 2006 setting maximum levels for certain contaminants in foodstuffs, OJ L 364 20.12.2006, P. 5, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02006R1881-20200701>, and Directive 2002/32/EC of the European Parliament and of the Council of 7 May 2002 on undesirable substances in animal feed OJ L 140 30.5.2002, P. 10, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02002L0032-20191128>.

¹⁵⁹ Regulation (EC) No. 396/2005 of the European Parliament and of the Council of 23 February 2005 on maximum residue levels of pesticides in or on food and feed of plant and animal origin and amending Council Directive 91/414/EEC, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02005R0396-20200709>.

¹⁶⁰ Council Regulation (EEC) No. 315/93 of 8 February 1993 laying down Community procedures for contaminants in food, OJ L 37, 13.02.1993, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A31993R0315>.

¹⁶¹ Commission Regulation (EC) No. 1881/2006 of 19 December 2006 setting maximum levels for certain contaminants in foodstuffs, OJ L 364, 20.12.2006, available at <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32006R1881>.

¹⁶² European Commission, EU Pesticides database, available at <https://ec.europa.eu/food/plant/pesticides/eu-pesticides-database/public/?event=homepage&language=EN>.

¹⁶³ Council Directive 2000/29/EC of 8 May 2000 on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community, OJ L 169, 10.7.2000, available at <http://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32000L0029>, and Regulation (EU) 2016/2031 of the European Parliament and of the Council of 26 October 2016 on protective measures against pests of plants, amending Regulations (EU) No. 228/2013, (EU) No. 652/2014 and (EU) No. 1143/2014 of the European Parliament and of the Council and repealing Council Directives 69/464/EEC, 74/647/EEC, 93/85/EEC, 98/57/EC, 2000/29/EC, 2006/91/EC and 2007/33/EC OJ L 317, 23.11.2016, PP. 4–104, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32016R2031>.

¹⁶⁴ Regulation (EU) 2016/2031 of the European Parliament and of the Council of 26 October 2016 on protective measures against pests of plants, OJ L 317, 23.11.2016, PP. 4–104, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32016R2031>; Commission Implementing Regulation (EU) 2018/2019 of 18 December 2018 establishing a provisional list of high-risk plants, plant products or other objects, within the meaning of Article 42 of Regulation (EU) 2016/2031 and a list of plants for which phytosanitary certificates are not required for introduction into the Union, within the meaning of Article 73 of that Regulation, OJ L 323, 19.12.2018, PP. 10–15, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32018R2019>; Commission Implementing Regulation (EU) 2019/2072 of 28 November 2019 establishing uniform conditions for the implementation of Regulation (EU) 2016/2031 of the European Parliament and the Council, as regards protective measures against pests of plants, and repealing Commission Regulation (EC) 690/2008 and amending Commission Implementing Regulation (EU) 2018/2019, OJ L 319, 10.12.2019, PP. 1–279, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32019R2072>.

¹⁶⁵ Laid down in Commission Implementing Regulation (EU) 2019/2072.

¹⁶⁶ Annexes XIII and XIV to Commission Implementing Regulation (EU) 2019/2072.

¹⁶⁷ Annex XI part C to Commission Implementing Regulation (EU) 2019/2072.

¹⁶⁸ Council Directive 2000/29/EC.

¹⁶⁹ Commission Regulation (EC) No. 1756/2004 of 11 October 2004 specifying the detailed conditions for the evidence required and the criteria for the type and level of the reduction of the plant health checks of certain plants, plant products or other objects listed in Part B of Annex V to Council Directive 2000/29/EC, OJ L 313, 12.10.2004, PP. 6–9, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32004R1756>, and Commission Implementing Regulation (EU) 2019/2129 of 25 November 2019 establishing rules for the uniform application of frequency rates for identity checks and physical checks on certain consignments of animals and goods entering the Union, OJ L 321, 12.12.2019, p. 122–127, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32019R2129>.

¹⁷⁰ The list is available at https://ec.europa.eu/food/sites/food/files/plant/docs/ph_biosec_trade-non-eu_prods-recom-reduced-ph-checks_2020.pdf.

¹⁷¹ Annex VI to Commission Implementing Regulation (EU) 2019/2072.

¹⁷² Annex IX to the Commission Implementing Regulation (EU) 2019/2072.

¹⁷³ Annex I to Commission Implementing Regulation (EU) 2018/2019.

¹⁷⁴ Commission Delegated Regulation (EU) 2019/829 of 14 March 2019 supplementing Regulation (EU) 2016/2031 of the European Parliament and of the Council on protective measures against pests of plants, authorising member states to provide for temporary derogations in view of official testing, scientific or educational purposes, trials, varietal selections, or breeding C/2019/1922 OJ L 137, 23.5.2019, PP. 15–25, available at https://eur-lex.europa.eu/eli/reg_del/2019/829/oj.

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- ¹⁷⁶ Available at http://laotradeportal.org/kcfinder/upload/files/MAF_1046-DOA.pdf
- ¹⁷⁷ Available at <https://www.laotradeportal.gov.la/index.php?r=site/display&id=1855>.
- ¹⁷⁸ Available at <https://www.laotradeportal.gov.la/index.php?r=site/display&id=402>.
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- ¹⁸⁰ Commission Implementing Regulation (EU) No. 543/2011 of 7 June 2011 laying down detailed rules for the application of Council Regulation (EC) No. 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors, OJ L 189, 20.7.2007, PP. 1–23, available at <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32011R0543>.
- ¹⁸¹ Article 3(2) of Commission Implementing Regulation (EU) No. 543/2011.
- ¹⁸² Article 5 of Commission Implementing Regulation (EU) No. 543/2011.
- ¹⁸³ Article 6 of Commission Implementing Regulation (EU) No. 543/2011.
- ¹⁸⁴ Commission Implementing Regulation (EU) No. 543/2011 of 7 June 2011 laying down detailed rules for the application of Council Regulation (EC) No. 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors, OJ L 189, 20.7.2007, PP. 1–23, available at <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32011R0543>.
- ¹⁸⁵ Article 3(2) of Commission Implementing Regulation (EU) No. 543/2011.
- ¹⁸⁶ Article 5 of Commission Implementing Regulation (EU) No. 543/2011.
- ¹⁸⁷ Article 6 of Commission Implementing Regulation (EU) No. 543/2011.
- ¹⁸⁸ Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No. 834/2007, OJ L 150, 14.6.2018, PP. 1–92, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32018R0848>.
- ¹⁸⁹ Article 45 and Articles 47 and 48 of Regulation (EU) 2018/848.
- ¹⁹⁰ Article 1(2) of Regulation (EC) No. 834/2007.
- ¹⁹¹ Article 4 of Regulation (EC) No. 834/2007.
- ¹⁹² Article 10 of Regulation (EC) No. 834/2007.
- ¹⁹³ Article 4(b) and 12 of Regulation (EC) No. 834/2007.
- ¹⁹⁴ Article 14 of Regulation (EC) No. 834/2007.
- ¹⁹⁵ Article 5(f) of Regulation (EC) No. 834/2007.
- ¹⁹⁶ Point 1.9 of Part I of Annex II to Regulation (EU) 2018/848.
- ¹⁹⁷ Article 12(1)(e) of Regulation (EC) No. 834/2007.
- ¹⁹⁸ Article 5(f) of Regulation (EC) No. 834/2007.
- ¹⁹⁹ Article 5(l) of Regulation (EC) No. 834/2007.
- ²⁰⁰ Article 14 of Regulation (EC) No. 834/2007.
- ²⁰¹ Article 14(1)(d) of Regulation (EC) No. 834/2007.
- ²⁰² Article 15(1)(c) of Regulation (EC) No. 834/2007.
- ²⁰³ Article 15(1)(d)(iv) of Regulation (EC) No. 834/2007.
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- ²⁰⁶ Article 14(1)(d)(vi) of Regulation (EC) No. 834/2007.
- ²⁰⁷ Article 14(1)(b)(i) of Regulation (EC) No. 834/2007.
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- ²⁰⁹ Article 14(1)(b)(iv) of Regulation (EC) No. 834/2007.
- ²¹⁰ Article 14(1)(b)(iii) of Regulation (EC) No. 834/2007.
- ²¹¹ Article 14(1)(b)(vi) of Regulation (EC) No. 834/2007.
- ²¹² Article 14(1)(c)(ii) of Regulation (EC) No. 834/2007.
- ²¹³ Article 14(1)(e)(ii) of Regulation (EC) No. 834/2007.
- ²¹⁴ Article 14(1)(e)(ii) of Regulation (EC) No. 834/2007.
- ²¹⁵ Article 16 of Regulation (EC) No. 834/2007.
- ²¹⁶ Commission Regulation (EC) No. 889/2008 of 5 September 2008 laying down detailed rules for the implementation of Council Regulation (EC) No. 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control OJ L 250, 18.9.2008, PP. 1–84, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32008R0889>.
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- ²¹⁸ See https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/farming/documents/organic-logo-user-manual_en.pdf.
- ²¹⁹ Article 47 of Regulation (EU) 2018/848.
- ²²⁰ Article 46 of Regulation (EU) 2018/848.
- ²²¹ See https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_laos_en.pdf.
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- ²²³ Export Potential in Lao PDR, Processed Wood and Specialty Agriculture, ITC, P. 19, 21 June 2019.
- ²²⁴ Trade Helpdesk, European Commission, available at https://trade.ec.europa.eu/tradehelp/statistics##node_56304.
- ²²⁵ ITC Trade Map, available at https://www.trademap.org/Country_SelProductCountry.aspx?nvpm=1%7c418%7c%7c%7cTO-TAL%7c%7c%7c2%7c1%7c1%7c2%7c1%7c1%7c2%7c1%7c1%7c1%7c1.
- ²²⁶ Article 33 of the GSP Regulation.
- ²²⁷ OJ L 343, 29.12.2015, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R2446>.

²²⁸ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code, OJ L 343, 29.12.2015, PP. 1–557, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32015R2446>.

²²⁹ Footnote 1 – referred to in the table – refers to Introductory Note 4.2 in the regulation – which notes that “in cases where the content of non-originating sugar in a given product is subject to limitations, the weight of sugars of headings 1701 (sucrose) and 1702 (e.g. fructose, glucose, lactose, maltose, isoglucose or invert sugar) used in the manufacture of the final product and used in the manufacture of the non-originating products incorporated in the final product is taken into account for the calculation of such limitations”.

²³⁰ For information on Footnote 1 referred to in the table – refer to Introductory Note 4.2 in the regulation (refer footnote above).

²³¹ Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No. 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code OJ L 343, 29.12.2015, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32015R2446>.

²³² Article 37 of Commission Delegated Regulation (EU) No. 2015/2446.

²³³ Annex 22-04 to Commission Delegated Regulation (EU) 2015/2446.

²³⁴ Regulation (EU) 510/2014 of the European Parliament and of the Council of 16 April 2014 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products and repealing Council Regulations (EC) 1216/2009 and (EC) No. 614/2009, OJ L 150, 20.5.2014, PP. 1–58, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32014R0510>.

²³⁵ Regulation (EU) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products, amending Regulations (EC) No. 999/2001, (EC) No. 396/2005, (EC) No. 1069/2009, (EC) No. 1107/2009, (EU) No. 1151/2012, (EU) No. 652/2014, (EU) 2016/429 and (EU) 2016/2031 of the European Parliament and of the Council, Council Regulations (EC) No. 1/2005 and (EC) No. 1099/2009 and Council Directives 98/58/EC, 1999/74/EC, 2007/43/EC, 2008/119/EC and 2008/120/EC, and repealing Regulations (EC) No. 854/2004 and (EC) No. 882/2004 of the European Parliament and of the Council, Council Directives 89/608/EEC, 89/662/EEC, 90/425/EEC, 91/496/EEC, 96/23/EC, 96/93/EC and 97/78/EC and Council Decision 92/438/EEC OJ L 95, 7.4.2017, PP. 1–142, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32017R0625>.

²³⁶ Commission Decision 2011/163/EU as amended.

²³⁷ See https://ec.europa.eu/food/safety/international_affairs/trade/non-eu-countries_en.

²³⁸ See https://webgate.ec.europa.eu/sanco/traces/output/LA/ABP-FSB_LA_en.pdf.

²³⁹ Article 47 of the Official Controls Regulation.

²⁴⁰ Article 45 of the Official Controls Regulation.

²⁴¹ See Article 44(3) of the Official Controls Regulation.

²⁴² Article 44(4) of the Official Controls Regulation.

²⁴³ Annex I to Commission Implementing Regulation (EU) 2019/1793 of 22 October 2019 on the temporary increase of official controls and emergency measures governing the entry into the Union of certain goods from certain third countries implementing Regulations (EU) 2017/625 and (EC) 178/2002 of the European Parliament and of the Council and repealing Commission Regulations (EC) 669/2009, (EU) 884/2014, (EU) 2015/175, (EU) 2017/186 and (EU) 2018/1660.

²⁴⁴ Commission Implementing Regulation (EU) 2019/1793 of 22 October 2019 on the temporary increase of official controls and emergency measures governing the entry into the Union of certain goods from certain third countries implementing Regulations (EU) 2017/625 and (EC) No. 178/2002 of the European Parliament and of the Council and repealing Commission Regulations (EC) No. 669/2009, (EU) No. 884/2014, (EU) 2015/175, (EU) 2017/186 and (EU) 2018/1660, OJ L 277, 29.10.2019, PP. 89–129, available at <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32019R1793>.

²⁴⁵ Article 6 of Commission Implementing Regulation (EU) 2019/1793.

²⁴⁶ Annex II to Commission Implementing Regulation (EU) 2019/1793.

²⁴⁷ Article 10 of Commission Implementing Regulation (EU) 2019/1793.

²⁴⁸ Commission Regulation (EC) No. 1881/2006 of 19 December 2006 setting maximum levels for certain contaminants in foodstuffs, OJ L 364 20.12.2006, P. 5, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02006R1881-20200701>, and Directive 2002/32/EC of the European Parliament and of the Council of 7 May 2002 on undesirable substances in animal feed OJ L 140 30.5.2002, P. 10, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02002L0032-20191128>.

²⁴⁹ Regulation (EC) No. 396/2005 of the European Parliament and of the Council of 23 February 2005 on maximum residue levels of pesticides in or on food and feed of plant and animal origin and amending Council Directive 91/414/EEC, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02005R0396-20200709>.

²⁵⁰ Council Regulation (EEC) No. 315/93 of 8 February 1993 laying down Community procedures for contaminants in food, OJ L 37, 13.02.1993, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A31993R0315>.

²⁵¹ Commission Regulation (EC) No. 1881/2006 of 19 December 2006 setting maximum levels for certain contaminants in foodstuffs, OJ L 364, 20.12.2006, available at <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32006R1881>.

²⁵² Regulation (EC) No. 396/2005 of the European Parliament and of the Council of 23 February 2005 on maximum residue levels of pesticides in or on food and feed of plant and animal origin and amending Council Directive 91/414/EEC, OJ L 70, 16.03.2005, available at <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32005R0396>.

²⁵³ European Commission, EU Pesticides Database, available at <https://ec.europa.eu/food/plant/pesticides/eu-pesticides-database/public/?event=homepage&language=EN>.

²⁵⁴ Council Directive 2000/29/EC of 8 May 2000 on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community, OJ L 169, 10.7.2000, available at <http://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32000L0029>, and Regulation (EU) 2016/2031 of the European Parliament of the Council of 26 October 2016 on protective measures against pests of plants, amending Regulations (EU) No. 228/2013, (EU) No. 652/2014 and (EU) No. 1143/2014 of the European Parliament and of the Council and repealing Council Directives 69/464/EEC, 74/647/EEC, 93/85/EEC, 98/57/EC, 2000/29/EC, 2006/91/EC and 2007/33/EC OJ L 317, 23.11.2016, PP. 4–104, available at <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:32016R2031>.

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²⁶¹ The list is available at https://ec.europa.eu/food/sites/food/files/plant/docs/ph_biosec_trade-non-eu_prods-recom-reduced-ph-checks_2020.pdf.

²⁶² Annex VI to Commission Implementing Regulation (EU) 2019/2072.

²⁶³ Annex IX to the Commission Implementing Regulation (EU) 2019/2072.

²⁶⁴ Annex I to Commission Implementing Regulation (EU) 2018/2019.

²⁶⁵ Commission Delegated Regulation (EU) 2019/829 of 14 March 2019 supplementing Regulation (EU) 2016/2031 of the European Parliament and of the Council on protective measures against pests of plants, authorizing member states to provide for temporary derogations in view of official testing, scientific or educational purposes, trials, varietal selections, or breeding C/2019/1922 OJ L 137, 23.5.2019, PP. 15–25, available at https://eur-lex.europa.eu/eli/reg_del/2019/829/oj.

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- ²⁸⁷ Article 45 and Articles 47 and 48 of Regulation (EU) 2018/848.
- ²⁸⁸ Articles 1 and 2 of Regulation (EU) 2018/848.
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