



# The Generalized System of Preferences Program

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# What is the GSP Program?

- US Trade Preference program
- Promote economic growth and development in certain developing countries
- Existed since 1974, periodically reviewed and reauthorized by Congress
- Expired since December 31, 2020

# Why it matters

- Lauan plywood from Indonesia
- Thin, water resistant, tropical hardwood plywood
- Duty-free under the program, 8% duty currently

# Competitive Need Limitation Waivers

- Built-in ceilings on GSP benefits
- Products lose eligibility if imports of the product:
  - Account for 50 percent or more of the value of total US imports of the products; or
  - Exceed a certain dollar threshold, which increases by \$5 million annually.

# RV Industry History

- Revisions to the program
  - Changed the review process
- Reforming the tariff line
  - Excluded distracting/irrelevant products from our waiver petition

# What are this year's issues?

- Lack of GSP program since 2020
- CNL caps hit
- Potential new USTR legal interpretation

# This year's strategy and outlook

- Get the program back
  - Renewed with longer term
- Reform CNLs
  - Revise both dollar and volume caps
- Potentially change statutory language

# This year's asks

- **Ask:** Retroactively reauthorize the GSP program with a six-year or longer renewal term and support the inclusion of all Indonesian lauan in the program
- **Ask:** Support modernizing CNLs by increasing the dollar threshold by a value that matches inflation and remove the volume limitation for products that are only available in a limited geographic area.



# Questions?

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