

Obama Pulls Plug on Russian Trade Benefits Program

By [The Moscow Times](#)

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Barack Obama plans to pull Russia from the Generalized System of Preferences.

President Barack Obama gave the U.S. Congress official notice on Wednesday that he plans to pull Russia from a program that allows duty-free imports of certain goods, known as the Generalized System of Preferences, the White House said.

The GSP program is currently awaiting congressional re-authorization. Once that happens, the U.S. will no longer allow goods from Russia, such as steel-making materials, tires and ceramics, to enter the country duty-free.

Instead, they would be subject to normal tariffs, which average about 3 percent, a spokesman for the U.S. Trade Representative said.

Russia is "sufficiently advanced economically" and no longer needs the special treatment, the White House said. Russia would have become ineligible for the program in 2016 because the

World Bank had designated it as a "high-income" country, the White House said.

"Russia's actions regarding Ukraine, while not directly related to the President's decision regarding Russia's eligibility for GSP benefits, make it particularly appropriate to take this step now," Caitlin Hayden, spokeswoman for the White House National Security Council, said in an email.

In 2012, the U.S. imported \$544 million in goods from Russia under the GSP program, representing about 2 percent of its total imports from the country.

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