

Kosovo's Export Opportunities through GSP

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Presentation Summary

- **Overview of the U.S. GSP Program**
- **How to increase Kosovo's use of duty-free opportunities available under GSP**

U.S. and Kosovo Trade

- **Kosovo became a U.S. GSP beneficiary in December 2008.**
- **The U.S. wants to become a destination for more Kosovar exports through stronger trade.**
- **How to export more to the U.S. from Kosovo: through Kosovo's use of GSP duty-free opportunities**
- **Our goal is to help Kosovo's exporters use GSP to increase trade and to diversify Kosovo's exports.**

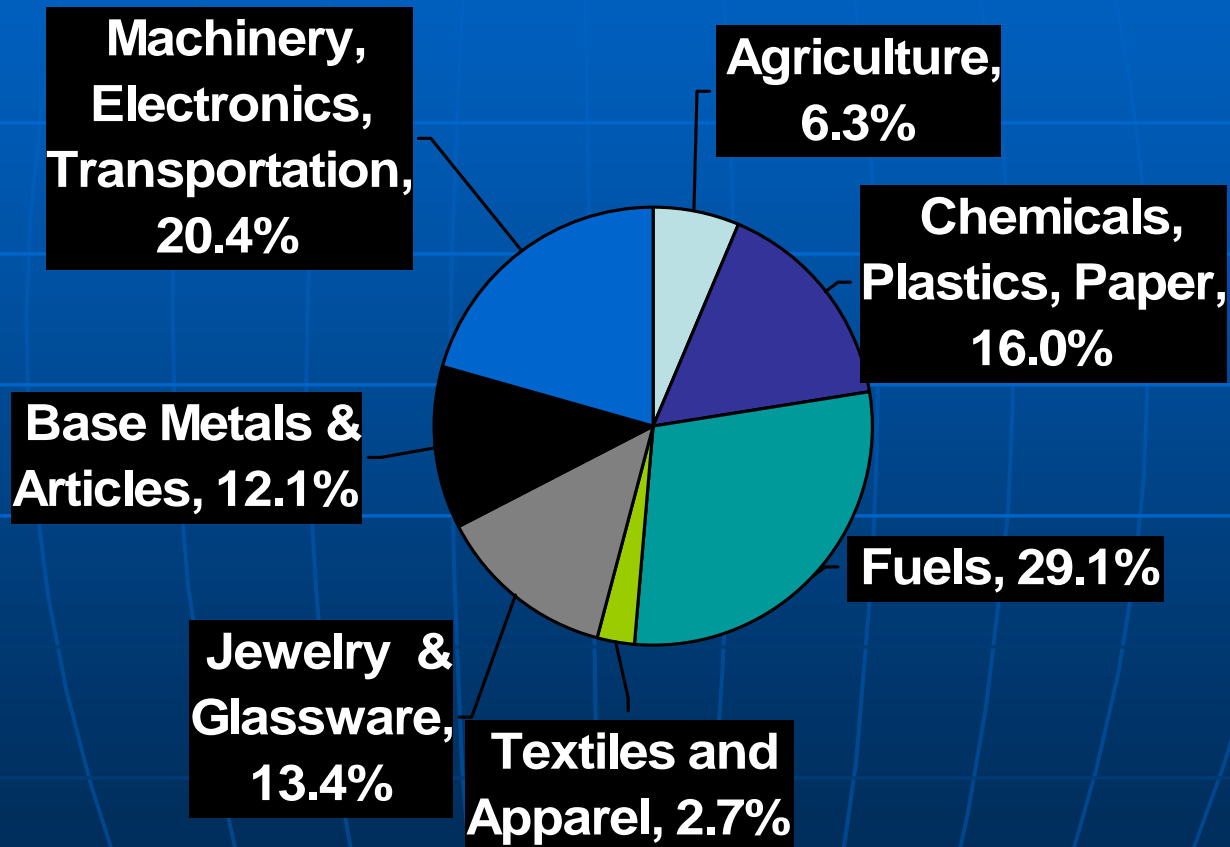
GSP Program

- Gives enhanced access to U.S. for developing countries' products and expanded choices for U.S. industries and consumers
- Provides duty-free treatment for over 3,400 types of products from 131 countries
- \$31.7 billion in total U.S. GSP imports (2008)
- The GSP program has been renewed through December 31, 2009.

GSP-Eligible Exports

- Eligible: manufactured items and inputs, jewelry, electronics, some agricultural products, carpets, some textiles and apparel, chemicals, marble, and minerals
- Ineligible: most textiles and apparel, watches, footwear, handbags, luggage, gloves and leather goods

Exports entering the U.S. under GSP



How to Qualify for Duty-Free Treatment under GSP

1. Must be a GSP-eligible product
2. Must be exported into the U.S. directly from Kosovo or pass through another country on a through bill of lading
3. Must be a product of Kosovo
4. If the product includes imported input, the cost of the local content and processing must equal 35% of the product's price.

Is my product eligible for duty-free treatment under GSP?

- The easiest way to find out is to go to:

http://dataweb.usitc.gov/scripts/tariff_current.asp

- Fill in the blank with:

- Any part of a product description. For example, "jam" OR
- The tariff number (four, six, or eight numbers). For example, 2007, 200799, or 20079925

- Then click on "List Items"

Claiming GSP Duty-Free Treatment

- U.S. importer **MUST REQUEST** duty-free treatment for the import
- How? Importer writes an “A” before the tariff number on Customs entry form 7501
- If importer forgets: can apply to U.S. Customs for refund

Make sure importer marks an "A" before the tariff number on the form!

05-1.1-2006 10:59am From Trade Corp Invoice 3022441296 1 187 > 003/002 F-008

DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection
ENTRY SUMMARY

1. Filer Code/Entry No. RWC 000		12. Entry Type 01 ABL/A		3. Summary Date 10/04/2006	
7. Surety No.		8. Bond Type 2		9. Port Code 2704	
10. Country of Origin TR		11. In-Port Date 09/24/2006		13. Expiry Date 09/24/2006	
14. Expiring Country TR		15. Expiry Date 09/30/2006			
16. I.T. No.		17. I.T. Date		18. Foreign Port of Loading 55735	
19. Mating Docs		20. U.S. Port of Unloading 2704			
21. Location of Goods/6.D. No.		22. Consignee No. SAME		23. Importer No.	
24. Reference No.		25. Ultimate Consignee Name and address		26. Importer of Record Name and address	
City		State IN Zip		City State IN Zip	
27. Line No.		28. Description of Merchandise		29. A. HTSUS Rate B. AD/CVD Rate C. Rate of Duty D. Rate of Tax	
30. A. HTSUS No. B. AD/CVD Case No.		31. A. Gross Weight D. Manifest Qty. HTSUS Units		32. A. Entered Value B. CHGS C. Relationship	
33. 4465000914		34. 11 8030BR1369LY		35. 2700 C39ES	
36. INVOICE 00001 DISPOSAL SAMPLES RUBBER GL 4015.19.1010 16940 112500 DPR		37. NOT RELATED		38. 51840 FREE 0.00 C3959 0.125% 64.00 0.21% 108.86	
39. HARBOR MAINTENANCE FEE MERCHANDISE PROCESSING FEE		40. AS ENTERED			
41. Other Fee Summary to Block 39		42. Total Entered Value		43. CBP USE ONLY	
44. 51,840.00		45. 51,840.00		46. A. Duty Code 557	
47. Total Other Fees \$ 173.66		48. REASON CODE		49. B. Assesstained Duty 37. Duty	
50. DECLARATION OF IMPORTER OF RECORD (OWNER OR PURCHASER) OR AUTHORIZED AGENT		51. Signature		52. C. Assesstained Tax 38. Tax	
53. I declare that I am the importer of record and that the declarant, purchaser, or consignee for CBP purposes is as shown above, OR <input checked="" type="checkbox"/> owner or purchaser or agent thereof. I further declare that the merchandise herein is true and correct, and that the statements in this declaration are true and correct, and that the merchandise is for use in the United States and that the merchandise is not for export or re-export to any other country.		54. D. Assesstained Other 39. Other		55. E. Assesstained Total 40. Total	
56. I will immediately furnish to the appropriate CBP office any information showing a different status of this merchandise.		57. 173.66		58. 173.66	
59. 41. DECLARANT NAME		60. TITLE		61. DATE 10/10/2006	
62. 42. Declarant Information (Name, address, phone number)		63. 43. Declarant File No. 6841		64. CBP Form 301 (04/05)	



Job of the Exporter?

- **Remind the U.S. importer that your product is eligible for duty-free entry under GSP and to mark “A” on U.S. Customs Entry Form**
- **Keep good records (cost of production; where produced; if using imported components – where they are from and their cost)**

Phyto-sanitary & Sanitary *Requirements*

- **U.S. Food and Drug Administration (FDA)** regulates all food (except most beef and poultry), cosmetics, biologics, drugs & some electronics.
- **Product requirements:** pure & wholesome; safe to eat; produced under sanitary conditions; informative & truthful labels in English
- **Importer files notice and bond to Customs, which contacts FDA:** a test may be needed
- **Bioterrorism Act:** registry of foreign facilities with FDA, including producers, that export food

Ways to increase Kosovo's exports using GSP benefits

1. Identify potential exports by looking at products that are eligible for GSP duty-free treatment.
2. Review what Kosovo is exporting globally that may be eligible for GSP duty-free treatment into the U.S.
3. Look at what Kosovo's neighbors are exporting to the U.S. under GSP.

Kosovo's Current Exports

- In January 2009, Kosovo exported \$33,000 in fuel oil to the United States. It is not eligible for GSP.
- But Kosovo already exports certain products elsewhere that may be eligible for GSP duty-free treatment into the United States.
- The following slide highlights several categories of exports that include GSP-eligible products.

Current Exports to the EU that may be GSP-eligible into the U.S.

- Beverages such as waters and fruit juices
- Mineral and chemical products
- Machinery, appliances, and electric products
- Base metals and products of base metals
- Transportation equipment

GSP-eligible wood items of export interest to Kosovo

- Plywood sheets: can save 8% duty
- Baskets/bags of willow: 5.8%
- Wood forks & spoons: 5.3%
- Wood walking sticks, handles, parts: 5.2%
- Wood tools & handles: 5.1%
- Wood doors: 4.8%
- Inlaid wood articles: 3.2%
- Wood windows & frames: 3.2%
- Wood tableware/kitchenware: 3.2%
- Wood statues & ornaments: 3.2%
- Parts of wood footwear: 2.6%

GSP-eligible wood items of export interest to Kosovo

- Wood cases & boxes (large): 10.7%
- Wood pallets: 10.7%
- Wood blinds & shutters: 5.1%-10.7%
- Wood building materials: saves 3.2 to 8% in duties
- Assembled wood flooring panels: 3.2%-8%
- Wood chests & cases: 4.3%
- Wood frames for paintings/mirrors/etc: 3.9%
- Wood tubs: 3.2%
- Builders' joinery & carpentry: 3.2%

Neighboring Countries' Use GSP (2008)

Croatia (#23):

- \$69.7 million in exports entered the U.S. under GSP – 26% of all exports to the U.S.

Macedonia (#30):

- \$32 million in exports entered the United States (U.S.) under GSP – 43% of all of its exports to the U.S.

Products Exported by Kosovo's Neighbors under GSP

- Dried fennel, marjoram & tarragon (saved 1.9%)
- Spices (saved 1.9%)
- Vegetable fats and oils (saved 3.2%)
- Mineral & other waters (saved 0.2 – 0.26 cts/l)
- Sauces and preparations (saved 6.4%)
- Chewing gum (saved 4%)
- Soups, broths & preparations (saved 3.2%)
- Jams (saved 5.6%)
- Frozen raspberries, loganberries, black currants and gooseberries (saved 4.5%)
- Frozen blackberries, mulberries, currants (saved 9%)

Products Exported by Kosovo's Neighbors under GSP

- Furskin apparel and accessories (saved 4%)
- Ferrosilicon manganese (saved 3.9%)
- Copper-zinc alloy tubes & pipes (saved 1.4%)
- Drilling machines (saved 4.2%)
- Parts for measuring & regulating instruments (saved 1.7%)
- Metal armored safes, doors, lockers (saved 3.8%)
- Miscellaneous lead articles (saved 3%)
- Gold necklaces & other jewelry (saved 5.5%)

For GSP Information in Kosovo:

- **U.S. Embassy in Pristina:**
 - <http://pristina.usembassy.gov/>
 - Valerie Bilgri Holm
Bilgri-HolmVK@state.gov

- **Foreign Agricultural Service:**
 - Hoa Nguyen (Sofia):
Hoa.Huynh@fas.usda.gov

For Further Information

- **Office of the U.S. Trade Representative GSP Website:**
http://www.ustr.gov/Trade_Development/Preference_Programs/GSP/Section_Index.html
- **Customs & Border Protection:**
<http://www.customs.gov/xp/cgov/import/>
 - **CUSTOMS FORM 7501:**
<https://forms.customs.gov/customsrf/getformharness.asp?formName=cf-7501-form.xft>
 - <http://www.customs.treas.gov/xp/cgov/toolbox/publications/>

For Further Information

- **U.S. Tariff Schedule:**
 - <http://www.usitc.gov/tata/hts>
- **U.S. Department of Commerce Trade Information Center:**
 - <http://www.trade.gov/td/tic/>
 - Email counseling: tic@ita.doc.gov

Other GSP Programs

<http://www.unctad.org/Template.s/Page.asp?intltemID=1418&lang=1>

OR go to <http://www.unctad.org> and type in "GSP" in the search window in the top right corner of the home page



Falemenderit!

Hvala!

