

# ***Mongolia's Export Opportunities through GSP***

**Office of the U.S. Trade  
Representative**

**January 27, 2009**



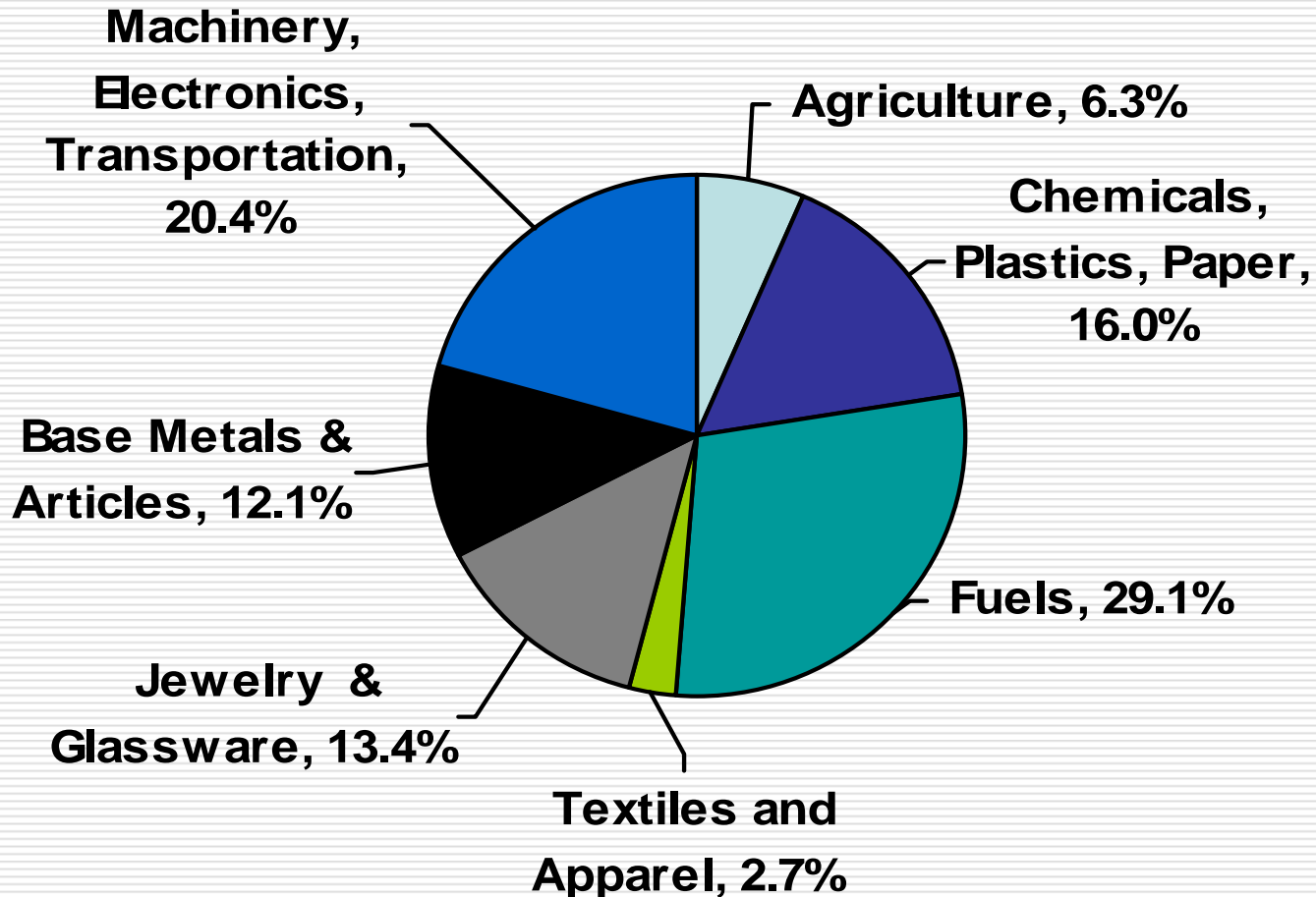
# ***GSP Program***

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- Created by Congress in 1974
- Creates opportunities in 132 (131 as of February 1, 2009) countries, while providing cheaper imports for U.S. industries and consumers
- Provides duty-free treatment for 3,400 products
- Major U.S. import program: GSP imports in 2007: \$30.8 billion

# *Types of U.S. imports that received GSP duty-free treatment in 2007*

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# ***Mongolia's Exports to the U.S. under GSP in 2007***

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- \$906,485 out of \$84m in total exports**
- This made up only 1% of total exports to the U.S.!**

# ***Mongolia's Exports to the U.S. under GSP in 2008***

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- Mongolia's use of GSP significantly increased through November 2008: \$5.6m of \$51.5m total exports entered the U.S. duty-free!**
- That is an over 500% increase of GSP use from the same period of 2007!**

# *Which Products are Eligible for Duty-Free GSP Treatment?*

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- Eligible:** most dutiable manufactures and inputs for manufactured items; certain agricultural, fishery, and primary industrial products (metals, chemicals, derivatives).
- Not eligible:** certain textiles, watches, certain footwear and handbags, luggage, flat goods not made of silk, work gloves, and certain leather apparel.

# **How to Qualify for Duty-Free Treatment under GSP**

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- 1. Must be a GSP-eligible product**
- 2. Must be exported into the U.S. directly from Egypt or pass through another country on a through bill of lading**
- 3. Must be a product or growth of Egypt; or...**
- 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](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**

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- ❑ 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**

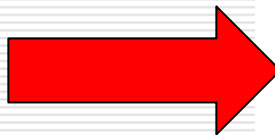
# Make sure importer marks an "A" before the tariff number on the form!

05-1-1-2006 10:59am From Trade Corp Invoice 0022441206 1 187 > 003/002 F-008

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

1. Entry Code/Entry No. RWC 000		12. Entry Type 01 ABL/A		3. Summary Date 10/04/2006	
7. Entry No.		8. Entry Type 2		9. Port Code 2704	
10. Country of Origin TR		11. In-Port Date 09/26/2006		13. Entry Date 09/24/2006	
14. Expiring Country TR		15. Expiry Date 09/30/2006		16. U.S. Port of Unloading 2704	
17. L.T. Date		18. Foreign Port of Loading 55735		19. U.S. Port of Unloading	
21. Location of Goods (G.D. No.) SAME		22. Consignee No.		23. Importer No.	
24. Ultimate Consignee Name and address		25. Importer of Record Name and address		26. Reference No.	
City State IN Zip		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	
4 W465000914 11 B03CBR1369LY		INVOICE 00001 DISPOSAL SAMPLES RUBBER GL 4015.19.1010 16940 112500 DPR		NOT RELATED 51840 FREE 0.00 C3959 0.125% 64.00 0.21% 108.86	
HARBOR MAINTENANCE FEE MERCHANDISE PROCESSING FEE		AS ENTERED			
33. Total Entered Value \$ 51,840.00		34. Total Other Fees \$ 173.66		35. CBP USE ONLY	
36. DECLARATION OF IMPORTER OF RECORD (OWNER OR PURCHASER) OR AUTHORIZED AGENT		37. A. Duty Code 557		38. B. Assesstained Duty	
I declare that I am the <input type="checkbox"/> Importer of record and that the actual owner, 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 for my use and that the statements in this document are true and correct, and I will immediately comply to the appropriate CBP office with any information showing a different status of this merchandise.		39. C. Assesstained Tax		40. D. Assesstained Other	
41. DECLARANT NAME		42. TITLE		43. DATE	
44. Declarant Information (Name, address, phone number)		45. Importer File No. 6841		10/10/2006	

CPB Form 301 (04/05)



# **Job of the Exporter?**

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- 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**

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- ❑ **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:** FDA will then decide if test is needed
- ❑ **Bioterrorism Act:** registry of foreign facilities with FDA, including producers, that export food

# *Increasing Use of GSP Benefits*

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- 1. Ensure products get GSP duty-free treatment when eligible.**
- 2. Increase exports of GSP-eligible textile and apparel products, including those using fur, cashmere, and felt.**
- 3. Identify Mongolia's exports to other countries that are GSP-eligible in U.S.**
- 4. Export GSP-eligible minerals and industrial products.**
- 5. Use the recently signed certified handicraft arrangement (so that wall hangings and pillow covers can enter the U.S. duty-free).**

# **For Further Information**

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- Office of the U.S. Trade Representative Website, GSP guidebook and lists of GSP eligible and ineligible products:
  - [http://www.ustr.gov/Trade\\_Development/Preference\\_Programs/GSP/Section\\_Index.html](http://www.ustr.gov/Trade_Development/Preference_Programs/GSP/Section_Index.html)
  
- Department of Homeland Security: 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**

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## **□ 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](mailto:tic@ita.doc.gov)

# **For Additional Information**

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## **Agricultural Products:**

- ❑ U.S. Country of Origin Labeling (COOL) requirements that Tunisian exporters of agricultural and seafood products need to satisfy when export to the U.S. market: [www.ams.usda.gov/cool](http://www.ams.usda.gov/cool)
- ❑ Sanitary certifications:
  - <http://www.foodlabels.com/q&a.htm>
  - [http://www.aphis.usda.gov/import\\_export/plant\\_s/manuals/ports/downloads/fv.pdf](http://www.aphis.usda.gov/import_export/plant_s/manuals/ports/downloads/fv.pdf)
  - [http://www.aphis.usda.gov/plant\\_health/permits/index.shtml](http://www.aphis.usda.gov/plant_health/permits/index.shtml)
  - [http://www.aphis.usda.gov/import\\_export/plant\\_s/plant\\_imports/index.shtml](http://www.aphis.usda.gov/import_export/plant_s/plant_imports/index.shtml)
  - <http://www.cfsan.fda.gov/list.html>



# **Other GSP Programs**

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

# Tand ikh bayarlalaa!

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