

# Expanding Albania's Exports through the Generalized System of Preferences (GSP) Program



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**Office of the U.S. Trade Representative**  
**Executive Office of the President**  
**July 2012**

# *Presentation Summary*



**Overview of the U.S. GSP Program**

**Albania's GSP exports to the U.S.**

**How to increase Albania's use of duty-free opportunities**

# ***GSP Program***

- **Enhanced access to U.S. market**
- **Expanded choices for U.S. industries & consumers**
- **Provides duty-free treatment for up to 5,000 products from 128 countries**
- **\$18.5 billion in total U.S. GSP imports (2011)**
- **GSP program authorized through July 2013**

# ***GSP Program: Eligible Products***

## **Eligible**

- Many manufactured items & inputs
- Most jewelry
- Many agricultural products
- Chemicals
- Minerals
- Marble
- Most carpets

## **Ineligible**

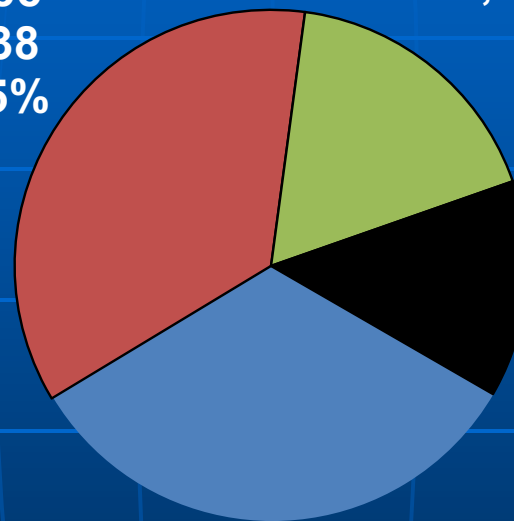
- Most textiles & apparel
- Watches
- Footwear
- Handbags
- Luggage
- Some gloves & leather goods

# *How many products are eligible for GSP duty-free treatment?*

**MFN duty-free imports 3,738 products: 35%**

**Dutiable imports 1,830 products: 17%**

**GSP-eligible imports (LDCs), 1,431 products: 13%**



**GSP-eligible imports (all), 3,450 products: 33%**

# *U.S. and Albania Trade*

- **2011 U.S. imports from Albania: \$26.5 million**
- **GSP imports: \$ 13.5 m (51% of total imports)**
- **Overall GSP utilization rate: 94.8%**
- **Top GSP imports in 2011:**

<b>Products</b>	<b>MFN tariff</b>	<b>Total value</b>
<b>Ferrochromium</b>	1.9%	\$13.1 m
<b>Vegetable fats</b>	3.2%	\$200,000
<b>Preserved vegetables</b>	9.6%	\$65,000

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

**Must be a GSP-eligible product**

**Must be a product or growth of Albania**

**If using non-Albania inputs, local content & processing must be  $\geq 35\%$  of the value**

**Must import directly into the U.S. w/o entering commerce of another country**

**Benefit must be claimed by importer**

**Keep production/accounting records to assist importer to verify GSP claim**

# *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)

**List of GSP-eligible products at:**

- <http://www.ustr.gov/trade-topics/trade-development/preference-programs/generalized-system-preferences-gsp/gsp-program-i-0>



Go to: [http://dataweb.usitc.gov/scripts/tariff\\_current.asp](http://dataweb.usitc.gov/scripts/tariff_current.asp)



## United States International Trade Commission

USITC Home > DataWeb > USITC Tariff Database

### Contact US

▶ DataWeb Assistance

### Tariff and Trade DataWeb

▶ Trade DataWeb Login  
▶ DataWeb FAQ  
▶ DataWeb How To

### Classification Systems

▶ Tariff Search Tool  
▶ Classification Systems  
▶ Commodity Translation Wizard  
▶ Description Lookup

### Trade Data Reports

▶ Trade Data Reports  
▶ Graphs of Trends  
▶ Trade Shifts  
▶ Certain Steel Products  
▶ Sub-Saharan Africa  
▶ Trade by Geographic Regions  
▶ Trade by Partner Country  
▶ AVE Duties 1891-2010  
▶ Principal Supplier Analysis

### :: 2012 U.S. Tariff and Trade Data for a specific product

Tariff data current through February 3, 2012. This site includes planned staged tariff reductions (where applicable) and 3-year (plus year-to-date) import data!

Enter either the *first part* of an HTS category number up to 8 digits--e.g., "8501" or "850110"--, or *any part* of a product description--e.g., "bovine", or "articho"--(without the "quotes"). The search is not case-sensitive, so the results for "Bovine" will be the same as for "BoVinE".

**Marjoram**

List items

*User note:* While the USITC publishes the HTS, the U.S. Customs Service interprets it. Contact the Customs offices with questions about how potential importations should be classified.

In the brief item descriptions, the abbreviation "NESOI" means not otherwise specified or included.

1. Type the name of your product

2. Click the "List items" button

USITC DataWeb: USITC Tariff Database - Windows Internet Explorer  
http://dataweb.usitc.gov/scripts/tariff\_current.asp

United States International Trade Commission

USITC Home > DataWeb > USITC Tariff Database

Contact US  
DataWeb Assistance

Now select ONE item for which you want tariff and trade information.  
Click the "Detail" button when you have made your selection

**1. Choose your product from the list**

- 07129060 Dried fennel, marjoram, parsley, savory and tarragon, crude or not manufactured (*Begin Effect Date: 01/01/1989*)
- 07129070 Dried fennel, marjoram, savory and tarragon nesi, whole, cut, sliced, broken or in powder, but not further prepared (*Begin Effect Date: 05/15/2012*)
- 07129070 (Expired) Dried fennel, marjoram, savory and tarragon nesi, whole, cut, sliced, broken or in powder, but not further prepared (*Begin Effect Date: 03/15/2012*)
- 07129070 (Expired) Dried fennel, marjoram, savory and tarragon nesi, whole, cut, sliced, broken or in powder, but not further prepared (*Begin Effect Date: 02/01/2009*)

**2. Click the "Detail" button**

Classification systems  
Trade Data Reports

Internet | Protected Mode: On

USITC DataWeb: USITC Tariff Database - Windows Internet Explorer

http://dataweb.usitc.gov/scripts/tariff\_current.asp

USITC DataWeb: USITC Tariff Database

### 2012 U.S. Tariff and Trade Data for a specific product

#### 2012 Tariff and Most Recent Annual U.S. Import Information

HTS Number	07129070	
Brief Description	Dried fennel, marjoram, savory and tarragon nesi, whole, cut, sliced, broken or in powder, but not further prepared	
<b>Customs value of recent U.S. imports for consumption</b>		
Click for more detail on <a href="#">imports by source country</a> or <a href="#">imports by tariff program</a> or <a href="#">imports by U.S. Customs district of entry</a> or <a href="#">imports by statistical suffix (HTS10)</a>	2011 imports (thousand dollars) <b>\$1,226.4</b>	
<b>Tariff Treatment</b>		
Beginning Effective Date (most recent date <i>any</i> part of this HTS item's tariff treatment changed)	05/15/2012	
Ending Effective Date (date <i>any</i> part of this HTS item is next scheduled for tariff treatment change)	12/31/2012	
1st Unit of Quantity (Q1)	Kilograms	
2nd Unit of Quantity (Q2)		
2012 Normal Trade Relations (NTR) duty rate (formerly known as the Most Favored Nation (MFN) duty rate)	MFN Text Rate	1.9%
	Duty calculation	(Ad Valorem Rate) times (Value)
	Ad Valorem (percent of value) component	1.9%
	Specific (per unit) component	\$0
	Other duty component	\$0
"Column 2" (non-NTR) duty rate (Applies to imports from a small number of countries that do not enjoy NTR duty status)	Binding Status	Bound in World Trade Organization
	COL2 Text Rate	25%
	Duty calculation	(Ad Valorem Rate) times (Value)
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	Specific (per unit) component	\$0
	Other duty component	\$0
<b>Preferential (duty-free or reduced rate) tariff program applicability to this HTS item</b>		
GSP (Generalized System of Preferences)	Status	Eligible: code "A"
	Countries Excluded from GSP eligibility on this item	<b>✓</b>

Done

Internet | Protected Mode: On

Check if code "A" is listed for your product

More detail can be found by clicking on the links here. For example, click on "imports by source country"



2012 U.S. Tariff and Trade Data for a specific product  
2012 Tariff and Most Recent Annual U.S. Import Information

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- ▶ Sub-Saharan Africa
- ▶ Trade by Geographic Regions
- ▶ Trade by Partner Country
- ▶ AVE Duties 1891-2010
- ▶ Principal Supplier Analysis

- Tariff Database**
- ▶ HTS Online Reference Tool
  - ▶ Tariff Database
  - ▶ Tariff Programs
  - ▶ Tariff DataBase Tables 1997-2012
  - ▶ Future Tariffs Lookup
  - ▶ World Tariff Sources

- Other External Links**
- ▶ Customs Rulings (CROSS)
  - ▶ Order Data from Census
  - ▶ Schedule B for Exports
  - ▶ International Trade Data System

Import detail for HTS Item (8-digit) - Windows Internet Explorer

http://dataweb.usitc.gov/scripts/details.asp?Phase=HTS8&HTS8=07129070&DESC=

USITC Trade Database--Web Access

**US imports for consumption at Customs value for HTS8 07129070:**

by sources, in descending value of 2011 imports

Source	2009	2010	2011		2012		Percent change YTD2011- YTD2012
	--thousand dollars--		Percent of total	January-May			
				--thousand dollars--			
All sources	\$547.5	\$1,290.0	\$1,226.4	100.0%	\$797.2	\$548.3	-31.2%
Egypt	\$171.8	\$807.3	\$663.5	54.1%	\$488.2	\$155.2	-68.2%
Albania	\$28.8	\$185.6	\$214.0	17.4%	\$95.2	\$97.9	2.8%
China	\$15.4	\$95.7	\$147.8	12.0%	\$77.5	\$54.4	-55.6%
Peru	\$0.0	\$0.0	\$116.6	9.5%	\$88.5	\$0.0	-100.0%
Turkey	\$252.4	\$68.9	\$42.6	3.5%	\$32.4	\$94.5	191.7%
Mexico	\$0.0	\$11.9	\$14.1	1.1%	\$5.1	\$17.1	235.3%
Israel	\$12.1	\$42.8	\$12.1	1.0%	\$0.0	\$65.8	
Switzerland	\$0.0	\$0.0	\$8.0	0.7%	\$8.0	\$0.0	-100.0%
India	\$25.2	\$10.2	\$5.7	0.5%	\$0.0	\$0.0	
Armenia	\$0.0	\$0.0	\$2.4	0.2%	\$2.4	\$0.0	-100.0%
Korea, Republic of	\$3.1	\$2.9	\$0.0	0.0%	\$0.0	\$2.4	
Argentina	\$3.8	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	
Lebanon	\$0.0	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	
Dominican Republic	\$0.0	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	
Netherlands	\$0.0	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	
Italy	\$12.2	\$13.8	\$0.0	0.0%	\$0.0	\$0.0	
Iran	\$0.0	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	
Japan	\$19.7	\$0.0	\$0.0	0.0%	\$0.0	\$0.0	

Done

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# *How to Increase Duty-Free Imports into the U.S.*

**Use GSP as a marketing tool**

**Ensure that GSP treatment is claimed**

**Identify GSP-eligible products that Albania is exporting to other markets**

**Consider products with a GSP advantage**

# *GSP-Eligible Imports: Underutilized in 2011*

<b>Products</b>	<b>MFN tariff</b>	<b>Total value</b>	<b>Utilization rate</b>
<b>dried fennel, marjoram, savory and tarragon whole, cut, sliced, broken or powder</b>	1.9%	\$214,000	5%
<b>spices and sweetmeats, not w/cocoa</b>	1.9%	\$364,000	7%
<b>Electrical ignition for combustion engines</b>	2.5%	\$30,000	0%

# *Export home décor and craft items duty-free under GSP*

Wood statues, bowls, boxes, furniture & tableware (3.2-10.9% duty)

Ceramic bowls and ornamental articles (6-9.8% duty)

Woven baskets and bags (6.6% duty)

Drawn & blown glass (6.4% duty)

Carpets and rugs (6% duty)

Brass, beaded, silver & other jewelry (5-11% duty)

String & wind musical instruments (2.9-8.7% duty)

Wall-hangings & pillow/cushion covers (3.8% duty)

Handmade paper & paperboard (MFN free)



# *GSP Success Story*

**HTS 1515.90.80**  
**Fixed vegetable fats and oils (MFN 3.2%)**



# *Identifying & Developing Potential U.S. Buyers*

Depends on size, sector, experience

Are you export-ready?

Understanding the US market

What kind of relationship: agent,  
distributor, partner, joint venture

Best leads: your own network!

# *Petition Process to Add New Products*

**Product must not be excluded by statute (e.g., apparel)**

**Submit petition during Annual Review (deadlines listed in *Federal Register*)**

**Provide the information required by the regulations**

# *For Further Information*

## **GSP General Information:**

- <http://www.ustr.gov/trade-topics/trade-development/preference-programs/generalized-system-preference-gsp>

## **Lists of GSP-eligible Products:**

- <http://www.ustr.gov/trade-topics/trade-development/preference-programs/generalized-system-preferences-gsp/gsp-program-i-0>

# *For Further Information*

## **U.S. Tariff Schedule:**

- <http://www.usitc.gov/tata/hts>
- [http://www.usitc.gov/tariff\\_affairs/tariff\\_databases.htm](http://www.usitc.gov/tariff_affairs/tariff_databases.htm)
- *See esp. General Note 4.*

## **U.S. Embassy Contact:**

***Thank you!***  
***Falemnderit!***

