

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



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Executive Office of the President
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Presentation Summary



Overview of the U.S. GSP Program

Paraguay's GSP exports to the U.S.

How to increase Paraguay'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 almost 3,500 products from Paraguay
- \$17.4 billion in total U.S. GSP imports (2015)
- GSP program authorized through December 2017



GSP Program: Eligible Products

Eligible

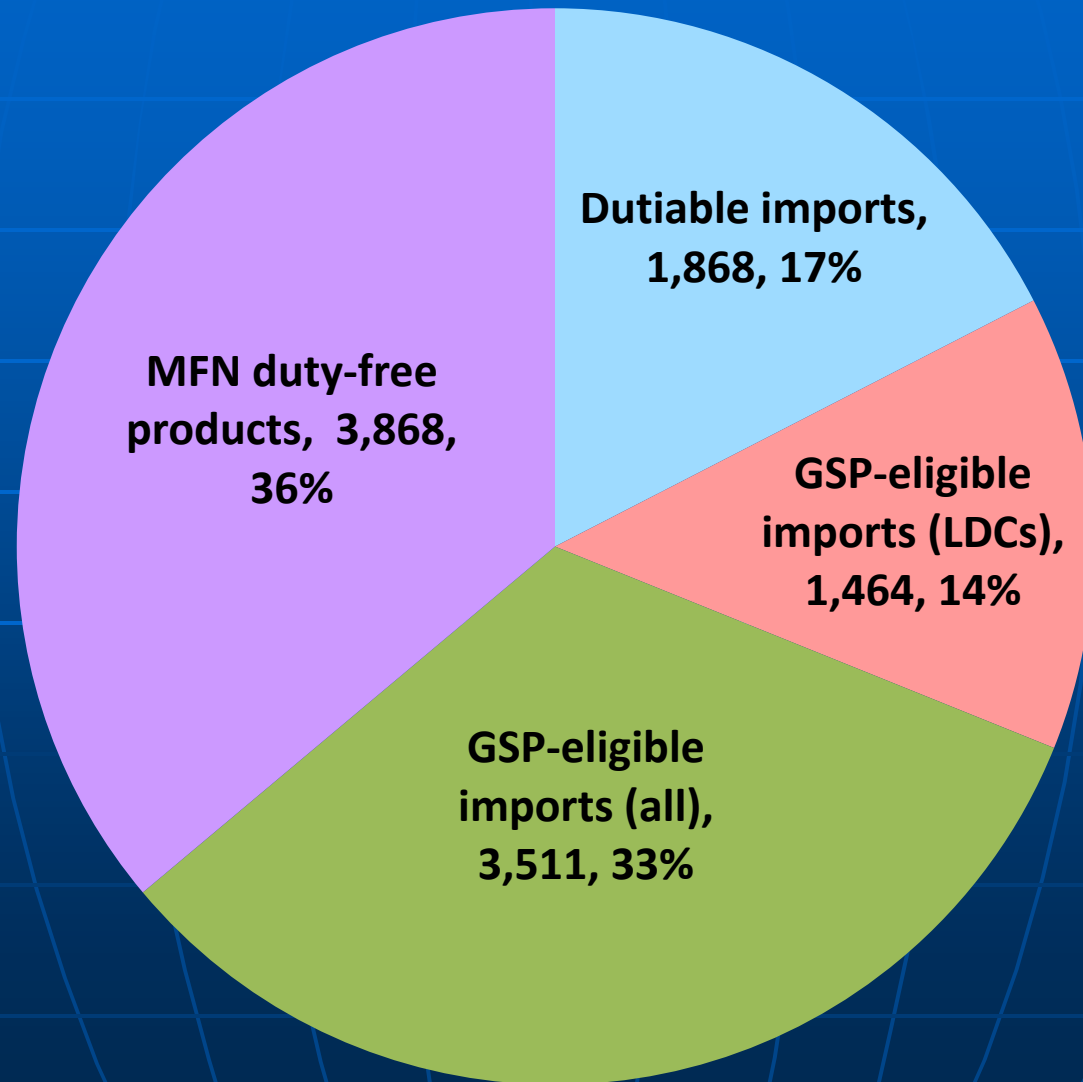
- Many manufactured items & inputs
- Jewelry
- Many agricultural products
- Chemicals
- Minerals
- Marble
- Carpets

Ineligible

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



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



U.S. and Paraguay Trade in 2015

- **U.S. imports from Paraguay: \$160 million**
- **GSP imports: \$66.3 million (42% of total imports)**
- **Overall GSP utilization rate: 97%**

Paraguay's Top GSP Exports in 2015

HTS chapter & product description	GSP tariff advantage	Total GSP Value
1701.99.10 - Cane/beet sugar & pure sucrose, refined, solid, w/o added coloring or flavoring	4.45%	\$ 38.9 million
4412.32.31 - Plywood sheet n/o 6 mm thick, at least one outer ply of nonconiferous wood, with face ply nesoi, not surface covered beyond clear/transparent	8%	\$ 7.7 million
1005.90.20 - Yellow dent corn	0.15%	\$ 7.1 million
1701.14.10 - Other cane sugar, raw, in solid form, w/o added flavoring or coloring	3%	\$ 4.1 million
4409.29.05 - Nonconiferous wood continuously shaped along any of its ends, whether or not also continuously shaped along any its edges or faces	3.2%	\$ 2.6 million

How to Qualify for Duty-Free Treatment under GSP

Must be a GSP-eligible product

Must be a product or growth of Paraguay

If using non-Paraguayan 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:

- https://dataweb.usitc.gov/scripts/tariff_current.asp

List of GSP-eligible products at:

- <https://ustr.gov/issue-areas/trade-development/preference-programs/generalized-system-preferences-gsp/gsp-program-i-0>

Go to: https://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

These reports are being updated and

:: 2016 U.S. Tariff and Trade Data for a specific product

Tariff data current through February 25, 2016. 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"

Corn

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



United States International Trade Commission

USITC Home > DataWeb > USITC Tariff Database

Contact US

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Tariff and Trade DataWeb

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- DataWeb FAQ
- DataWeb How To

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Tariff Database

- HTS Online Reference Tool
- Tariff Database
- Tariff Programs

Now select ONE item for which you want tariff and trade information.

[Detail](#)

- 07099945 Sweet corn, fresh or chilled (*Begin Effect Date: 01/01/2016*)
- 07104000 Sweet corn, uncooked or cooked by steaming or boiling in water, frozen (*Begin Effect Date: 01/01/2016*)
- 10051000 Seed corn (maize) (*Begin Effect Date: 01/01/1998*)
- 10059020 Yellow dent corn (*Begin Effect Date: 10/31/2012*)
- 10059040 Corn (maize), other than seed and yellow dent corn (*Begin Effect Date: 07/01/2013*)
- 11022000 Corn (maize) flour (*Begin Effect Date: 10/31/2012*)
- 11029060 Cereal flours, other than of wheat or meslin, rye, corn, rice or buckwheat (*Begin Effect Date: 01/01/2016*)
- 11031300 Groats and meal of corn (maize) (*Begin Effect Date: 10/31/2012*)
- 11031990 Groats and meal of cereals other than wheat, oats, corn (maize) or rice (*Begin Effect Date: 10/31/2012*)
- 11042300 Grains of corn (maize), hulled, pearled, clipped, sliced, kibbled or otherwise worked, but not rolled or flaked (*Begin Effect Date: 10/31/2012*)
- 11042990 Grains of cereals other than barley, oats or corn, hulled, pearled, clipped, sliced, kibbled or otherwise worked, but not rolled or flaked (*Begin Effect Date: 10/31/2012*)
- 11081200 Corn (maize) starch (*Begin Effect Date: 10/31/2012*)

2. Click the "Detail" button

1. Choose your product from the list

2016 U.S. Tariff and Trade Data for a specific product
 2016 Tariff and Most Recent Annual U.S. Import Information

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Classification Systems

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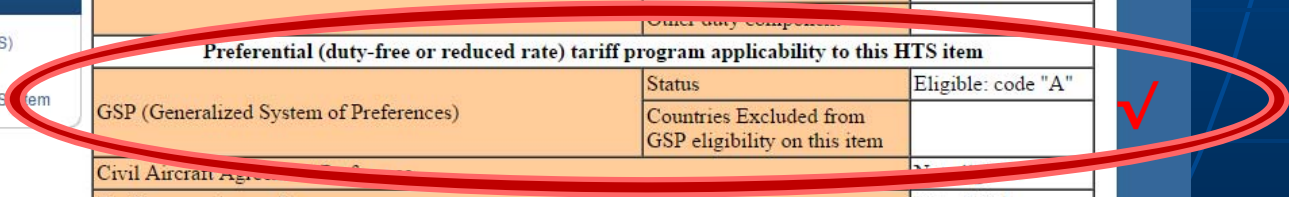
- HTS Online Reference Tool
- Tariff Database
- Tariff Programs
- Tariff DataBase Tables 1997-2015
- Future Tariffs Lookup
- World Tariff Sources

Other External Links

- Customs Rulings (CROSS)
- Order Data from Census
- Schedule B for Exports
- International Trade Data System

HTS Number	10059020	
Brief Description	Yellow dent com	
Customs value of recent U.S. imports for consumption		
Click for more detail on imports by source country or imports by tariff program or imports by U.S. Customs district of entry or imports by statistical suffix (HTS10)	2015 imports (thousand dollars) \$ 194,884.2	
Tariff Treatment		
Beginning Effective Date (most recent date any part of this HTS item's tariff treatment changed)	10/31/2012	
Ending Effective Date (date any part of this HTS item is next scheduled for tariff treatment change)	12/31/2050	
1st Unit of Quantity (Q1)	Kilograms	
2nd Unit of Quantity (Q2)		
2016 Normal Trade Relations (NTR) duty rate (formerly known as the Most Favored Nation (MFN) duty rate)	MFN Text Rate	0.05 cents/kg
	Duty calculation	(Specific rate) times (Q1)
	Ad Valorem (percent of value) component	0%
	Specific (per unit) component	\$0.0005
	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 Trade Agreement
	COL2 Text Rate	0.98
	Duty calculation	(Specific rate) times (Q1)
	Ad Valorem (percent of value) component	0%
	Specific (per unit) component	\$0.0098
Preferential (duty-free or reduced rate) tariff program applicability to this HTS item		
GSP (Generalized System of Preferences)	Status	Eligible: code "A"
	Countries Excluded from GSP eligibility on this item	
Civil Aircrew Agreement		Not eligible
Tariff concession on Dyes		Not eligible
CBI or CBERA (Caribbean Basin Initiative) Preference	Status	Eligible: code "E"
	Ad Valorem Rate	0%
	Specific Rate	\$0

Check if code "A" is listed for your product



2016 U.S. Tariff and Trade Data for a specific product
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	Other duty component	\$0
Preferential (duty-free or reduced rate) tariff program applicability to this HTS item		
GSP (Generalized System of Preferences)	Status	Eligible: code "A"
	Countries Excluded from GSP eligibility on this item	
Civil Aircraft Agreement Preference		Not eligible
Tariff concession on Dyes		Not eligible
CBI or CBERA (Caribbean Basin Initiative) Preference	Status	Eligible: code "E"
	Ad Valorem Rate	0%
	Specific Rate	\$0

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

If you need help, please contact DataWeb Assistance.

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USITC Trade Database--Web Access

US imports for consumption at Customs value for HTS8 10059020:

by sources, in descending value of 2015 imports

Source	2013	2014	2015		2016		Percent change YTD2015- YTD2016
	--thousand dollars--			Percent of total	January-February		
					--thousand dollars--		
All sources	\$ 518,323.6	\$ 109,160.9	\$ 194,884.2	100.0%	\$ 16,712.7	\$ 49,995.6	199.1%
Romania	\$ 5,262.5	\$ 14,930.1	\$ 58,741.3	30.1%	\$ 1,889.1	\$ 300.4	-84.1%
Canada	\$ 322,416.5	\$ 63,475.8	\$ 55,608.4	28.5%	\$ 6,896.8	\$ 24,977.9	262.2%
Turkey	\$ 24.4	\$ 6,796.8	\$ 36,355.0	18.7%	\$ 3,884.5	\$ 17,579.0	352.5%
Argentina	\$ 105,711.6	\$ 15,153.6	\$ 21,171.0	10.9%	\$ 319.4	\$ 530.3	66.0%
Brazil	\$ 66,482.2	\$ 155.1	\$ 10,364.1	5.3%	\$ 3,111.9	\$ 0.0	-100.0%
Paraguay	\$ 6,237.8	\$ 1,401.7	\$ 7,123.5	3.7%	\$ 0.0	\$ 0.0	
India	\$ 0.0	\$ 0.0	\$ 2,851.7	1.4%	\$ 188.4	\$ 209.9	16.4%
Netherlands	\$ 0.0	\$ 6,519.0	\$ 2,484.7	1.3%	\$ 428.4	\$ 6,389.1	1,391.4%
Greece	\$ 0.0	\$ 0.0	\$ 190.5	0.1%	\$ 0.0	\$ 0.0	
Bulgaria	\$ 0.0	\$ 0.0	\$ 92.9	0.0%	\$ 0.0	\$ 0.0	
Mexico	\$ 0.0	\$ 6.0	\$ 90.6	0.0%	\$ 2.3	\$ 0.0	-100.0%
Peru	\$ 12.5	\$ 25.9	\$ 8.5	0.0%	\$ 0.0	\$ 0.0	

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 you are exporting to other markets

Consider products with a GSP advantage

GSP-Eligible Imports Underutilized in 2015

Product & HTS	MFN Tariff	Total Imports	GSP Utilization Rate
Nonconiferous wood continuously shaped along any of its ends (HTS 4409.29.05)	3.2%	\$ 3.4 million	76.5%
Builders' joinery and carpentry of wood (HTS 4418.90.46)	3.2%	\$ 980,670	74.6%
Fuel-injection pumps for compression-ignition engines (HTS 8413.30.10)	2.5%	\$ 89,255	0%
Electricity supply or production meters, including calibrating meters thereof (HTS 9028.30.00)	1.71%	\$ 41,000	0%
Taps, cocks, valves & similar appliances for pipes, boiler shells, tanks, vats or the like, other than hand operated (HTS 8481.80.90)	2%	\$ 31,400	0%



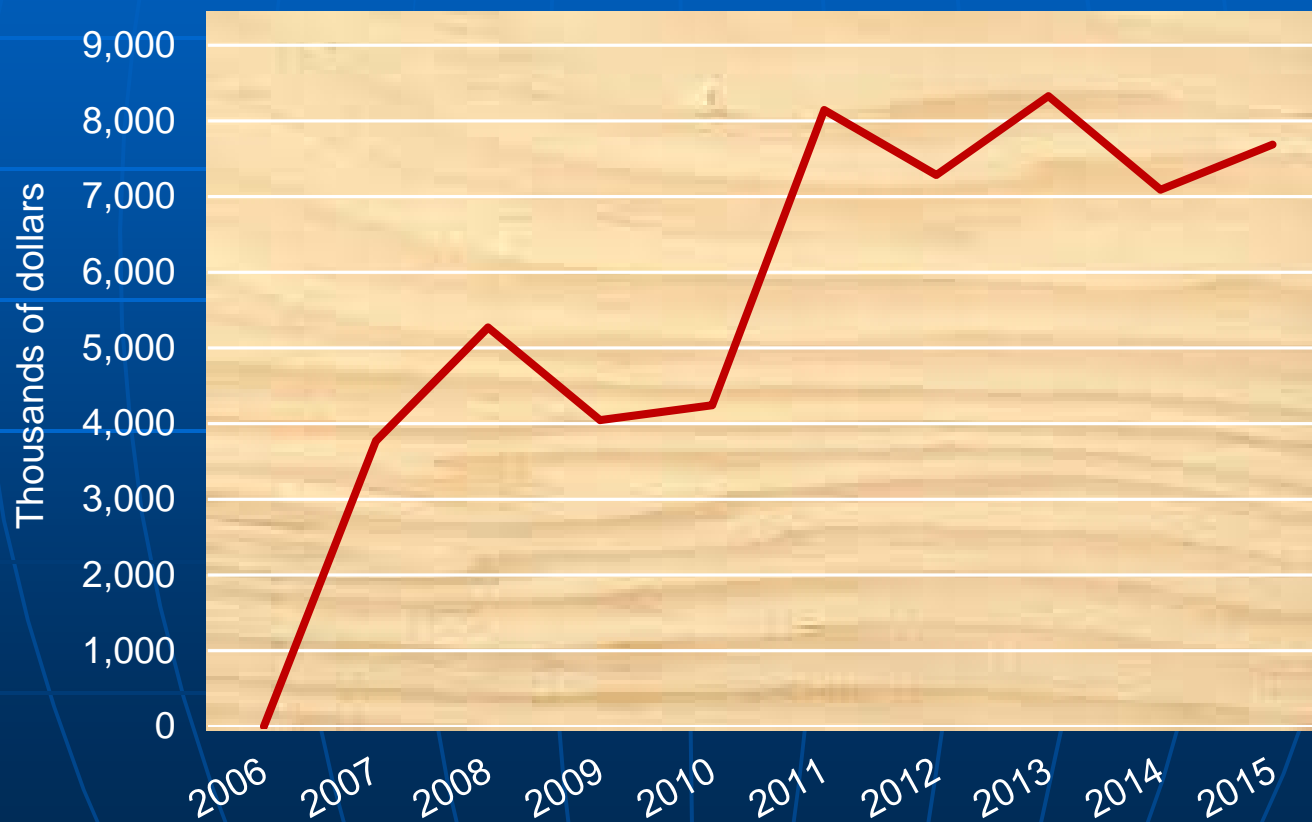
Export home décor and craft items duty-free under GSP

- Wood statues, bowls, boxes, furniture & tableware (3.2-10.9% duty)
- Ceramic bowls and ornamental articles (6-9.8% duty)
- Woven baskets and bags (3.5-10% duty)
- Drawn & blown glass (up to 7.2% duty)
- Carpets and rugs (2.7-6.8% 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)

GSP Success Story

4412.32.31

Plywood sheet n/o 6 mm thick, at least one outer ply of nonconiferous wood, with face ply nesoi, not surface covered beyond clear/transparent



Identifying & Developing Potential U.S. Buyers

- **Depends on size, sector, experience**
- **Understanding the US market**
- **What kind of relationship: agent, distributor, partner, joint venture**
- **Best leads: your own network!**
- **Trade shows**



Petition Process to Add New Products



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

**Submit petition during Annual Review
(next review begins in August 2016)**

Provide the information required by the regulations

For Further Information

GSP General Information:

- <https://ustr.gov/issue-areas/trade-development/preference-programs/generalized-system-preference-gsp>

U.S. Department of Homeland Security: Customs and Border Protection (CBP):

- <http://www.cbp.gov>

For Further Information

U.S. Tariff Schedule:

- <http://usitc.gov/tata/hts/bychapter/index.htm>
- See esp. General Note 4.

U.S. Tariff Databases:

- http://www.usitc.gov/tariff_affairs/tariff_databases.htm

For Further Information

U.S. Food and Drug Administration:

- <http://www.fda.gov/ForIndustry/FDABasicsforIndustry/default.htm>

Questions on GSP?

- USTR contact: gsp@ustr.eop.gov or + 1-202-395-2974

Thank you!

