

Expanding Turkey'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

Turkey's GSP exports to the U.S.

How to increase Turkey'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 about 3,500 products from Turkey and 126 other countries
- \$19.9 billion in total U.S. GSP imports (2012)
- GSP program authorized through July 2013



GSP Program: Eligible Products

Eligible

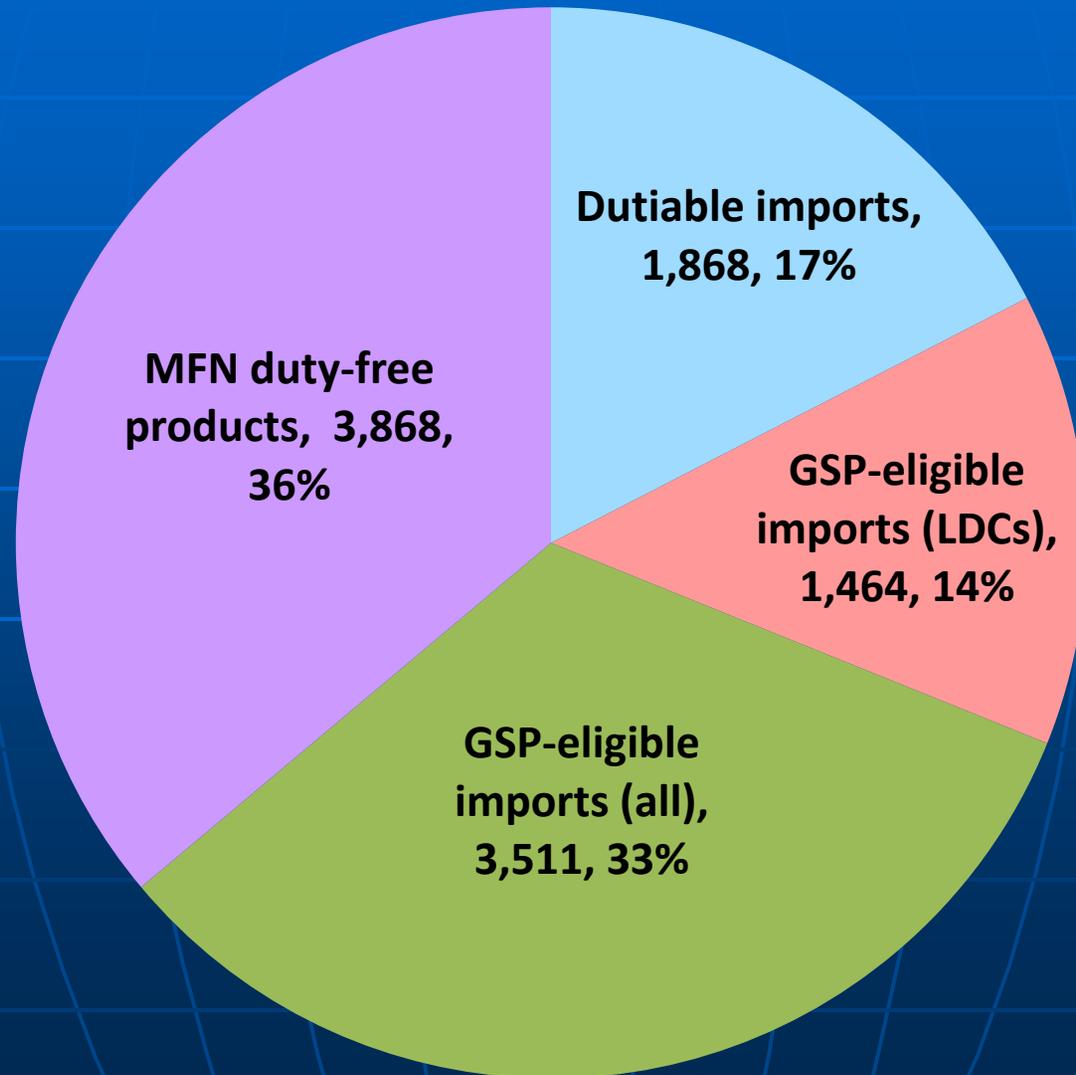
- Many manufactured items & inputs
- Jewelry
- Many agricultural products
- Chemicals
- Minerals
- Marble
- Carpets

Ineligible

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



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



U.S. and Turkey: Trade in 2012

- **U.S. imports from Turkey: \$6.2 billion**
- **GSP imports: \$1.1 billion (18% of total imports)**
- **Overall GSP utilization rate: 78%**

Top GSP imports from Turkey in 2012

HTS chapter & description	MFN tariff	Total GSP Value
74 – Copper and articles thereof	Up to 3%	\$126 m
87 – Certain vehicles and parts and accessories thereof	Up to 10%	\$117 m
71 – Pearls; precious or semiprecious stones, precious metals, articles thereof; imitation jewelry; coin	Up to 13.5%	\$110 m
20 – Preparations of vegetables, fruit, nuts, or other parts of plants	Up to 14.9%	\$85 m
68 – Articles of stone, plaster, cement, asbestos, mica, or similar	Up to 9%	\$85 m
40 – Rubber and articles thereof	Up to 8%	\$75 m

How to Qualify for Duty-Free Treatment under GSP

Must be a GSP-eligible product

Must be a product or growth of Turkey

If using non-Turkish 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

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



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

:: 2013 U.S. Tariff and Trade Data for a specific product

Tariff data current through January 15, 2013. 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".

Building Stone

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 Ta x
dataweb.usitc.gov/scripts/tariff_current.asp

 United States International Trade Commission

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Classification Systems
Commodity Translation Wizard

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

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

Detail

- 68022110 Monumental or building stone & arts. thereof, of travertine, simply cut/sawn, w/flat or even surface (Begin Effect Date: 10/31/2012)
- 68022150 Monumental or building stone & arts. thereof, of marble & alabaster, simply cut/sawn, w/flat or even surface (Begin Effect Date: 10/31/2012)
- 68022300 Monumental or building stone & arts. thereof, of granite, simply cut/sawn, w/flat or even surface (Begin Effect Date: 10/31/2012)
- 68022910 Monumental or building stone & arts. thereof, of calcareous stone, nesoi, simply cut/sawn, w/flat or even surface (Begin Effect Date: 10/31/2012)
- 68022990 Monumental or building stone & arts. thereof, of stone, nesoi, simply cut/sawn, w/flat or even surface (Begin Effect Date: 10/31/2012)
- 68029115 Monumental or building stone & arts. thereof (o/than slabs), of marble, further worked than simply cut/sawn, nesoi (Begin Effect Date: 10/31/2012)
- 68029120 Monumental or building stone & arts. thereof, of travertine, dressed or polished but not further worked, nesoi (Begin Effect Date: 10/31/2012)
- 68029125 Monumental or building stone & arts. thereof, of travertine, further worked than dressed or polished, nesoi (Begin Effect Date: 10/31/2012)
- 68029130 Monumental or building stone & arts. thereof, of alabaster, further worked than simply cut/sawn, nesoi

1. Choose your product from the list

2. Click the "Detail" button

USITC DataWeb: USITC Tariff Database

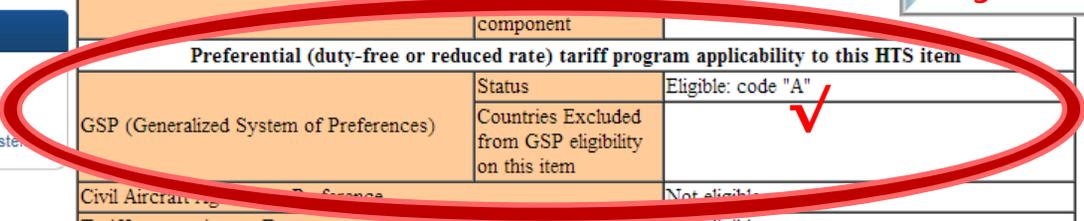
dataweb.usitc.gov/scripts/tariff_current.asp

USITC Home > DataWeb > USITC Tariff Database

2013 U.S. Tariff and Trade Data for a specific product
2013 Tariff and Most Recent Annual U.S. Import Information

HTS Number	68029115	
Brief Description	Monumental or building stone & arts. thereof (o/than slabs), of marble, further worked than simply cut/sawn, nesoi	
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)	2012 imports (thousand dollars) \$ 200,220.7	
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)	Metric Tons	
2nd Unit of Quantity (Q2)		
2013 Normal Trade Relations (NTR) duty rate (formerly known as the Most Favored Nation (MFN) duty rate)	MFN Text Rate	4.9%
	Duty calculation	(Ad Valorem Rate) times (Value)
	Ad Valorem (percent of value) component	4.9%
	Specific (per unit) component	\$0
	Other duty component	\$0
	Binding Status	Bound in World Trade Organization
"Column 2" (non-NTR) duty rate (Applies to imports from a small number of countries that do not enjoy NTR duty status)	COL2 Text Rate	50%
	Duty calculation	(Ad Valorem Rate) times (Value)
	Ad Valorem (percent of value) component	50%
	Specific (per unit) 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	Not eligible	
Tariff concession on Dyes	Not eligible	
CBI or CBERA (Caribbean Basin Initiative)	Status	Eligible: code "E"

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"

USITC DataWeb: USITC Tariff Database

dataweb.usitc.gov/scripts/tariff_current.asp

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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 1997-2013
- Future Tariffs Lookup
- World Tariff Sources

Other External Links

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

USITC Trade Database--Web Access

US imports for consumption at Customs value for HTS8 68029115:

by sources, in descending value of 2012 imports

Source	2010	2011	2012		2011	2012	Percent change YTD2011- YTD2012
	--thousand dollars--			Percent of total	January-December		
					--thousand dollars--		
All sources	\$ 180,064.0	\$ 180,575.7	\$ 200,220.7	100.0%	\$ 180,575.7	\$ 200,220.7	10.9%
China	\$ 49,981.5	\$ 50,662.2	\$ 59,325.5	29.6%	\$ 50,662.2	\$ 59,325.5	17.1%
Turkey	\$ 48,485.3	\$ 47,616.1	\$ 57,204.4	28.6%	\$ 47,616.1	\$ 57,204.4	20.1%
Italy	\$ 35,742.3	\$ 37,285.1	\$ 42,040.5	21.0%	\$ 37,285.1	\$ 42,040.5	12.8%
Spain	\$ 14,642.8	\$ 14,954.2	\$ 11,028.4	5.5%	\$ 14,954.2	\$ 11,028.4	-26.3%
Greece	\$ 3,326.3	\$ 3,178.8	\$ 4,538.5	2.3%	\$ 3,178.8	\$ 4,538.5	42.8%
Indonesia	\$ 3,943.7	\$ 4,009.3	\$ 4,140.7	2.1%	\$ 4,009.3	\$ 4,140.7	3.3%
India	\$ 3,486.0	\$ 3,388.9	\$ 3,299.2	1.6%	\$ 3,388.9	\$ 3,299.2	-2.6%
Mexico	\$ 2,766.4	\$ 3,205.4	\$ 2,871.3	1.4%	\$ 3,205.4	\$ 2,871.3	-10.4%
Taiwan	\$ 2,342.9	\$ 2,560.4	\$ 2,789.3	1.4%	\$ 2,560.4	\$ 2,789.3	8.9%
Canada	\$ 1,298.2	\$ 1,801.3	\$ 2,082.2	1.0%	\$ 1,801.3	\$ 2,082.2	15.6%
Egypt	\$ 1,657.9	\$ 1,270.6	\$ 1,953.8	1.0%	\$ 1,270.6	\$ 1,953.8	53.8%
Portugal	\$ 1,227.9	\$ 1,259.5	\$ 1,539.0	0.8%	\$ 1,259.5	\$ 1,539.0	22.2%
Pakistan	\$ 1,994.4	\$ 1,945.7	\$ 1,496.4	0.7%	\$ 1,945.7	\$ 1,496.4	-23.1%
Israel	\$ 2,502.2	\$ 1,627.4	\$ 1,254.0	0.6%	\$ 1,627.4	\$ 1,254.0	-22.9%
France	\$ 638.2	\$ 655.7	\$ 681.3	0.3%	\$ 655.7	\$ 681.3	3.9%
Tunisia	\$ 396.1	\$ 439.8	\$ 481.2	0.2%	\$ 439.8	\$ 481.2	9.4%
Korea, Republic of	\$ 334.4	\$ 378.6	\$ 393.3	0.2%	\$ 378.6	\$ 393.3	3.9%
Philippines	\$ 627.0	\$ 153.1	\$ 311.4	0.2%	\$ 153.1	\$ 311.4	103.4%
Brazil	\$ 98.8	\$ 296.2	\$ 304.9	0.2%	\$ 296.2	\$ 304.9	2.9%
Vietnam	\$ 281.4	\$ 326.5	\$ 304.2	0.2%	\$ 326.5	\$ 304.2	-6.8%
Hong Kong	\$ 337.1	\$ 490.7	\$ 275.7	0.1%	\$ 490.7	\$ 275.7	-43.8%
Belgium	\$ 424.5	\$ 294.3	\$ 250.7	0.1%	\$ 294.3	\$ 250.7	-14.8%

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 Turkey is exporting to other markets

Consider products with a GSP advantage

GSP-Eligible Imports: Underutilized in 2012

Product	MFN Tariff	Total Imports	GSP Utilization Rate
Certain parts of gas turbines (HTSUS 8411.99.90)	2.4%	\$23 m	7%
Marble slabs, further worked than simply cut/sawn (HTSUS 6802.91.05)	2.5%	\$21 m	72%
Certain Pts. & access. of motor vehicle (HTSUS 8708.50.99)	2.5%	\$21 m	71%
Certain metal, mountings, fittings & similar articles (HTSUS 8302.49.60)	5.7%	\$16 m	3%
Certain ceramic sinks, baths, bidets, & similar sanitary fixtures (HTSUS 6910.90.00)	5.7%	\$6 m	11%
Laminated safety glass, windshield (HTSUS 7007.21.10)	4.9%	\$3 m	39%

GSP Eligible Textiles and Apparel

Silk fabrics and apparel including dresses, women's suits, scarves,

Hand-loomed cotton fabrics

Many types of gloves and mittens

National flags

Hand-loomed and hand-hooked carpets



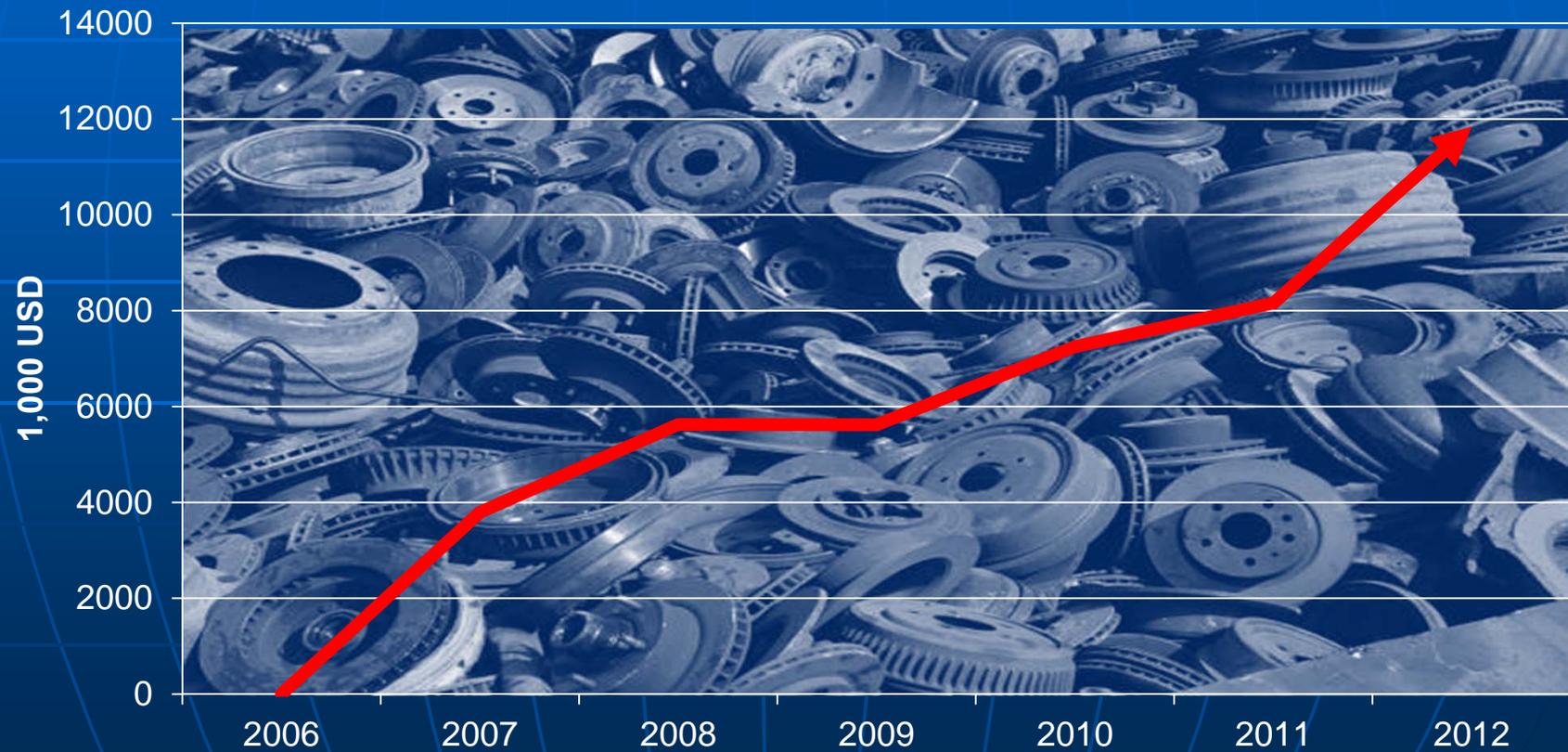
GSP Success Story

HTS 7113.11.50: Copper, stranded wire, not electrically insulated, not fitted with fittings and not made up into articles



GSP Success Story

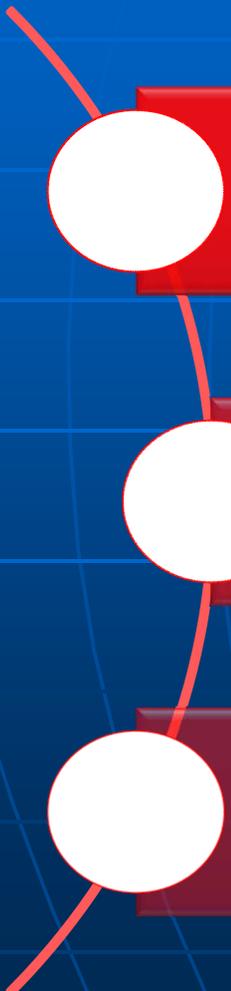
HTS 8708.30.50: Certain brakes and servo-brakes parts & accessories of motor vehicles of 8701 and 8702-8705



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 July 2013)**

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>

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

- <http://www.cbp.gov>
- <http://www.cbp.gov/xp/cgov/trade/legal/>

For Further Information

U.S. Tariff Schedule:

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

U.S. Tariff Databases:

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

For Further Information

U.S Consumer Product Safety Commission:

- <http://www.cpsc.gov/businfo/faq.html>

U.S. Food and Drug Administration:

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

U.S. Embassy/Consulate Contact:

- Laird Treiber, TreiberLD@state.gov

Thank you!

