

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

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Presentation Summary

- **Overview of the U.S. GSP Program**
- **Uruguay's GSP exports to the U.S.**
- **How to increase Uruguay'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 3,400 types of products from 128 countries**
- **\$18.5 billion in total U.S. GSP imports (2011)**
- **GSP program authorized through July 2013**

GSP Program: *Eligible Imports*

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

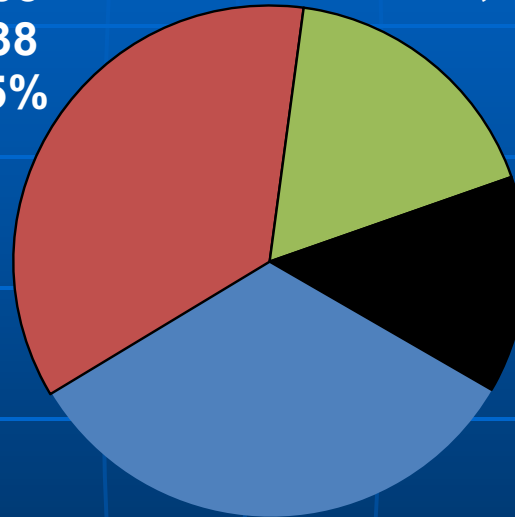
How many products are eligible for GSP duty-free treatment?

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 Uruguay Overall Trade

- 2011 U.S. imports from Uruguay: \$ 290 million
- GSP imports: \$ 51.4 m (18% of total imports)
- Top GSP imports in 2011: prepared bovine meat; full grain upholstery leather; cheese from cow's milk; plywood; and lanolin
- GSP utilization rate: 90.3%

Uruguay's top GSP exports to the U.S. (2011)

- Prepared beef
(1.4-4.5% MFN tariff) \$15.7 million
- Upholstery leather
(2.4-2.8% MFN tariff) \$14.6 million
- Cheese
(15% MFN tariff) \$6.2 million
- Plywood
(8% MFN tariff) \$1.7 million
- Lanolin
(2.4% MFN tariff) \$1.5 million

How to Qualify for Duty-Free Treatment under GSP

- Must be a GSP-eligible product
- Must be a product or growth of Uruguay
- If using non-Uruguayan 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
(“A” on import documents)
- 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/tariffcurrent.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>



USITC Home > DataWeb > USITC Tariff

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



:: 2011 U.S. Tariff and Trade Data for a specific product

Tariff data current through January 1, 2011. 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"

jam

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.

Type the name of your product
& click the **"List items"** button



entire site tariff info

USITC Home > DataWeb > USITC Tariff Database



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

Click the "Detail" button when you have made your selection

- 20079190 Citrus jams, fruit jellies, and marmalades (other than orange) (Begin Effect Date: 02/01/2009)
- 20079905 Lingonberry and raspberry jams (Begin Effect Date: 02/01/2009)
- 20079910 Strawberry jam (Begin Effect Date: 02/01/2009)
- 20079915 Currant and other berry jams, nesi (Begin Effect Date: 02/01/2009)
- 20079920 Apricot jam (Begin Effect Date: 02/01/2009)
- 20079925 Cherry jam (Begin Effect Date: 02/01/2009)
- 20079930 Guava jam (Begin Effect Date: 01/01/1993)
- 20079935 Peach jam (Begin Effect Date: 01/01/2011)
- 20079940 Pineapple jam (Begin Effect Date: 02/01/2009)
- 20079945 Jams, nesi (Begin Effect Date: 02/01/2009)
- 61072100 Men's or boys' nightshirts and pajamas, knitted or crocheted, of cotton (Begin Effect Date: 01/01/2011)
- 61072200 Men's or boys' nightshirts and pajamas, knitted or crocheted, of man-made fibers (Begin Effect Date: 01/01/2011)
- 61072920 Men's or boys' nightshirts and pajamas, knitted or crocheted, of wool or fine animal hair (Begin Effect Date: 01/01/2011)
- 61072950 Men's or boys' nightshirts and pajamas, of textile materials (ex cotton, mmf or wool), containing 70% or more by wt of silk, knitted or croc (Begin Effect Date: 01/01/2011)
- 61072990 Men's or boys' nightshirts and pajamas, of textile materials (ex cotton, mmf or wool), containing under 70% by wt of silk, knitted or croc (Begin Effect Date: 01/01/2011)
- 61083100 Women's or girls' nightdresses and pajamas, knitted or crocheted, of cotton (Begin Effect Date: 01/01/2011)
- 61083200 Women's or girls' nightdresses and pajamas, knitted or crocheted, of man-made fibers (Begin Effect Date: 01/01/2011)
- 61083910 Women's or girls' nightdresses and pajamas, knitted or crocheted, of wool or fine animal hair (Begin Effect Date: 01/01/2011)

Choose your product from the list and click the "Detail" button



entire site
 tariff info

USITC Home - DataWeb - USITC Tariff Database



2011 U.S. Tariff and Trade Data for a specific product

2011 Tariff and Most Recent Annual U.S. Import Information

HTS Number	20079190	
Brief Description	Citrus jams, fruit jellies, and marmalades (other than orange)	
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)	2010 imports (thousand dollars) \$1,098.8	
Tariff Treatment		
Beginning Effective Date (most recent date any part of this HTS item's tariff treatment changed)	02/01/2009	
Ending Effective Date (date any part of this HTS item is next scheduled for tariff treatment change)	12/31/2020	
1st Unit of Quantity (Q1)	Kilograms	
2nd Unit of Quantity (Q2)		
2011 Normal Trade Relations (NTR) duty rate (formerly known as the Most Favored Nation (MFN) duty rate)	MFN Text Rate	4.5%
	Duty calculation (Ad Valorem Rate) times (Value)	
	Ad Valorem (percent of value) component	4.5%
	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)	COI 2 Text Rate	35%
	Duty calculation (Ad Valorem Rate) times (Value)	
	Ad Valorem (percent of value) component	35%
	Specific (per unit) component	\$0
	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	

Check if code "A" is listed for your product



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 Uruguay is exporting to other markets
- Consider products with a GSP advantage

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!
- Trade shows

GSP-Eligible Imports: Underutilized in 2011

- **Plastic tableware and kitchen items**
(3.4% MFN tariff) \$3.5m 31.1% utilization
- **Whole prepared upholstery leather**
(2.8% MFN tariff) \$0.5m 41.6% utilization
(3.2% in 2010)
- **Caviar (15% MFN tariff) \$0.3m 53.6% utilization**

GSP Success story

HTS 1905.90.90

Bakers' wares such as crisp savory snack foods (e.g., corn chips); pizza; quiche; etc.

- 2008 \$0
- 2011 \$412,651
- 20.2% increase (value) from 2010 to 2011

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%)
- String & wind musical instruments (2.9-8.7%)
- Wall-hangings & pillow/cushion covers (3.8%)
- Handmade paper & paperboard (MFN free)

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 and ineligible 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>

See esp. General Note 4

<http://www.usitc.gov/publications/docs/tata/hts/bychapter/1201gntoc.htm>

U.S. Embassy contact: Marcelo Paglia
pagliamx@state.gov

Thank you!
Gracias!

