

Consultation with Trade & Industry
For
The New GSP/GSP Plus Scheme of the UK

The UK is preparing its own scheme for the Generalized System of Preferences (GSP/ GSP Plus) or developing a similar arrangement to become effective from the start of 2021 after completion of the transition period for Brexit. The Department for International Trade (DIT) and the Department for International Development (DFID) of the UK are seeking inputs from Pakistan for designing of the new scheme which, according to them, will maintain the current level of preferential access available to Pakistan under the EU's GSP/ GSP Plus scheme.

While working with the DIT/ DFID, the TDAP is holding consultative sessions with the stakeholders (trade bodies/ exporters) in key export cities with the objective of gathering information for making the new UK scheme more user friendly, improving trade between the UK and Pakistan, and address any issues being faced on the Pakistan side under the current EU-GSP scheme. As part of the exercise, the UK is also undertaking a review of its current MFN tariff regime for its rationalization/ refinement.

Accordingly, during the planned consultative sessions the TDAP would like to seek stakeholders'/ exporters' input in the following areas relevant to the GSP/ GSP Plus regime as well as overall cooperation between the UK and Pakistan. As a reference statistics of Pakistan's exports to the US are also annexed.

1. **Origin certification system**: Whether the REX system is preferred by exporters over the previous system (A-Form)? If yes, why? The UK reverting to the conventional (A-Form) system in the future is also a possibility.
2. **Rules of Origin (ROO)**: Any suggestions that exporters may have for making the existing product specific ROO for EU-GSP more objective and user friendly for the UK scheme or addressing any imbalances/ issues being faced by Pakistan/ exporters at present.
3. **The GSP/ GSP Plus regime**: Any suggestion(s) by exporters for improving UK's new GSP/ GSP Plus scheme for increasing Pakistan's exports to the UK, or improving eligibility, compliance and operational aspects (e.g. qualifying criteria, conventions, regulations, procedures, etc.) of the GSP/ GSP Plus scheme from the point of view of beneficiary countries/ exporters.

4. Rationalization of the MFN tariff regime by UK: Any suggestions/ recommendations for protecting the interests of Pakistan's exports/ exporters in view of intended MFN tariff rationalization by the UK, or assisting the UK in their effort to rationalize their MFN tariff regime for improved simplicity and effectiveness.
5. Compliance issues and technical/ non-technical barriers: Identification of any technical, administrative or compliance issues being faced by any products from Pakistan for their entry to the UK market along with recommendations/ possible solutions (e.g. compliance to standards, registrations, certifications, memberships, customs clearance, packaging/ labelling, etc. requirements).
6. Transportation, travelling, logistics issues: Identification of any obstacles/ issues affecting smooth movement of goods, services, and personnel between Pakistan and UK and suggestions for improvement.
7. Possible avenues for bi-lateral cooperation and seeking assistance from UK: Any suggestions for improving bi-lateral cooperation between Pakistan and UK, or identification of areas/ avenues/ schemes where Pakistan could seek technical and/ or financial assistance from the UK for increasing trade, investments, or technical cooperation between the two countries or establishment of cross-border supply chains.
8. Any other suggestions: Other suggestions or recommendations for identification of avenues for promoting collaboration/ cooperation between Pakistan and UK in the areas of trade, industry, technology transfer, skills development, investments, etc.

Note: *The above points would serve as a reference for gathering of information by the TDAP during the consultative sessions it is planning to hold on the subject with the trade bodies/ exporters. Furthermore, all invitees to the consultative sessions are requested to also bring along their written responses in the above areas for collection by TDAP during the sessions.*

PAKISTAN'S EXPORT TO THE UK

(US \$ Millions)

Sr.	Year	Export	% Increase/ Decrease
1.	2010	1,113.9	-
2.	2011	1,258.8	13.01
3.	2012	1,247.5	-0.90
4.	2013	1,432.0	14.79
5.	2014	1,654.6	15.55
6.	2015	1,572.8	-4.95
7.	2016	1,557.6	-0.96
8.	2017	1,635.0	4.96
9.	2018	1,728.6	5.73

Source: ITC Trade Map