

**OFFICIAL E-MAIL, FPCCI HEAD OFFICE KARACHI, PAKISTAN**

**From:** Kamal Shahryar (Adviser) <kamal.shahryar@tdap.gov.pk>  
**Sent:** Saturday, November 28, 2020 3:43 PM  
**To:** info@fpcci.org.pk; Prgmea Central; prgmea@cyber.net.pk; info@phmaonline.com; secretary.general@phmaonline.com; info01@paksea.com; tma@towelassociation.com; pceta1@hotmail.com; pcfamea@gmail.com; pcfa@cyber.net.pk; pbedwear@gmail.com; pbea@pakbedwear.com; info.po@aptma.org.pk; aptmapo@gmail.com; ptea@ptea.org.pk; apceaptea@gmail.com; info@pdmea.com; info@pwma.com.pk; plgmea.iq57@yahoo.com; plgmeaskt@gmail.com; PTA; ptacentral@pakistantanners.org; info@simap.org.pk; chairman@simap.org.pk; Pakistan Sports Goods; pcmeaho@gmail.com; PCMEA(NC); pgmea@pgmea.org.pk; pgmea\_skt@yahoo.com; pefmapk@gmail.com; pfma@pakfootwear.org; Zakir Adil; headoffice@paapam.com; paapamcircular@gmail.com; pamaftc@hotmail.com; pamaftc@gmail.com; pcsumea@gmail.com; apfea@cyber.net.pk; info@apfea.com.pk; info@pcma.org.pk; Ijaz Hussain PCTMEA; reaplhr@gmail.com; reapkhi@cyber.net.pk; reapkhi@gmail.com; info@pfva.net; feaop1@gmail.com; sec.pakfea@gmail.com; secretary.pspa@hotmail.com; secretariat@pasha.org.pk; Pakistan Software Houses Association; ppacentral@yahoo.com; ppacentral@gmail.com; info@kcci.com.pk; secretary@kcci.com.pk; sect@lcci.org.pk; info@fcci.com.pk; sialkot@scci.com.pk; mccimultan@gmail.com; info@gcci.org.pk; icci@brain.net.pk; info@hydcci.org; info@qcci.com.pk; sccip@brain.net.pk; officesecretary@apsa.org.pk; Capt.Zaheer APSA  
**Subject:** UK-GSP Scheme as Applicable to Pakistan effective January 1, 2021  
**Attachments:** New GSP Scheme of UK\_Notice.pdf

Kind Attention:

1. FPCCI Head Office, Karachi
2. Pak Readymade Garments Manufacturers & Exporters Association
3. Pakistan Hosiery Manufacturers & Exporters Association
4. Pakistan Knitwear & Sweaters Exporters Association
5. Towel Manufacturers' Association of Pakistan
6. Pakistan Commercial Exporters of Towels Association
7. Pakistan Cotton Fashion Apparel Manufacturers & Exporters Association - PCFA
8. Pakistan Bedwear Exporters Association
9. All Pakistan Textile Mills Association
10. Pakistan Textile Exporters Association
11. Pakistan Denim Manufacturers and Exporters Association
12. Pakistan Weaving Mills Association
13. Pakistan Leather Garments Manufacturers & Exporters Association
14. Pakistan Tanners Association
15. Surgical Instrument Manufacturers Association Of Pakistan,
16. Pakistan Sports Goods Manufacturers & Exporters Association
17. Pakistan Carpet Manufacturers & Exporters Association
18. Pakistan Gloves Manufacturers & Exporters Association,
19. Pakistan Electric Fan, Manufacturers Association
20. Pakistan Footwear Manufacturers Association
21. Pakistan Pharmaceutical Manufacturers' Association
22. Pakistan Association of Automotive Parts & Accessories Manufacturers
23. Pakistan Automotive Manufacturers Association
24. Pakistan Cutlery & Stainless Utensils Manufacturers & Exporters Association
25. All Pakistan Furniture Exporters Association

FPCCI HEAD OFFICE KARACHI	
DATE:	30-11-2020
REG. No.	1427
	ASG
	DSG
	DIRECTOR
	CA
	CIA
	MANAGER
	PSO

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M. Qureshi  
Additional Secretary General-II  
FPCCI Karachi

M. Qureshi  
Additional Secretary General-II  
FPCCI Karachi

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26. Pakistan Chemical Manufacturers Association
27. Pakistan Canvas and Tents Manufacturers and Exporters Association
28. Rice Exporters Association Of Pakistan
29. All Pakistan Fruit & Vegetable Exporters, Importers & Merchants Association
30. Pakistan Fisheries Exporters Association
31. Pakistan Steel Line Pipe Industry Association
32. Pakistan Software Houses Association for IT and ITES
33. Pakistan Poultry Association
34. Karachi Chamber Of Commerce & Industry
35. Lahore Chamber of Commerce & Industry
36. Faisalabad Chamber of Commerce & Industry
37. Sialkot Chamber of Commerce & Industry
38. Multan Chamber of Commerce & Industry
39. Gujranwala Chamber of Commerce & Industry
40. Islamabad Chamber of Commerce & Industry
41. Hyderabad Chamber of Commerce & Industry
42. Chamber of Commerce & Industry, Quetta
43. Sarhad Chamber of Commerce & Industry
44. All Pakistan Shipping Association

Dear Sirs,

Please find attached a document containing important aspects of the UK-GSP Scheme as applicable to Pakistan. The UK-GSP Scheme will come into force from January 1, 2021 upon expiry of the Brexit's transition period and will be applicable for all exports to the UK (made under the GSP preferential arrangement) from Pakistan as well as other GSP beneficiary countries of the world.

**It may please be noted that the process for issuance of Certificate of Origin (COO) for the UK will undergo a major change under the UK-GSP Scheme from January 1, 2021. For exports to the UK, Pakistani exporters will not be able to issue the COOs using the REX system after December 31, 2020.** As the REX system will become invalid for the UK from January 1, 2021 (though it will continue to remain effective for the EU, Norway, Switzerland, and Turkey). Though, the COOs issued for the UK under the REX system till December 31, 2020 will have a validity of 12 months (till end of 2021). However, effective January 1, 2021, COOs for all exports to the UK can only be issued using the Form-A. Such COOs can be issued by exporters themselves using copies of the Form-A and will not require endorsement (stamping and/or signature) from the TDAP.

In view of the importance of the matter, it is requested that the information contained in this email and the attached document may please be widely disseminated among your members to ensure that their exports to the UK effective January 1, 2021 are fully in accordance with the terms of the UK-GSP Scheme to avoid any issues.

Best regards,

Kamal Shahryar  
Adviser,  
Trade Development Authority of Pakistan (TDAP),  
Tel. (021) 99207209; 111-444-111 / Ext. 231

## UK-GSP Scheme as Applicable to Pakistan

The UK-GSP scheme will come into force from January 1, 2021 upon expiry of the Brexit transition period on December 31, 2020. Main aspects of the UK-GSP scheme as applicable to exports from Pakistan are as follows:

1. Pakistan has been placed in the "Enhanced Framework" which is same as the GSP Plus category of the EU-GSP scheme. Accordingly, under the UK-GSP scheme Pakistan will:
  - a. Be eligible for the same level of market access (preferential tariffs) for exports to the UK as are available to it under the GSP Plus scheme of the EU.
  - b. Be subjected to the same eligibility criteria and obligations as applicable to it under the GSP Plus scheme of the EU vis-à-vis the vulnerability criteria and compliance of 27 international conventions.
2. Rules of Origin for the UK-GSP scheme are identical to those of the EU-GSP, as laid out under Annex 22-03 of the EU Delegated Regulation 2015/2446. Specific aspects to be noted with respect to the Rules of Origin for the UK-GSP scheme are:
  - a. The UK-GSP scheme allows cumulation with the EU for all materials, while for cumulation with Norway and Switzerland, materials from HS Chapters 1 to 24 are excluded. Furthermore, cumulation with Turkey is not permissible.
  - b. The non-manipulation rule of the EU-GSP scheme (Article 43 of the EU Delegated Regulation 2015/2446) is equally applicable under the UK-GSP scheme. Hence, goods entering the UK via the EU (or any other country), while in transit, would remain eligible for GSP preferences.
3. Effective January 1, 2021, origin certification under the UK-GSP scheme will be as follows:
  - a. Certificates of Origin (COOs) for exports to the UK can be issued using the REX system only till December 31, 2020. Such COOs will remain valid for 12 months after December 31, 2020.
  - b. From January 1, 2021, REX system will not work for the UK and COOs for exports to the UK would have to be issued on the GSP Form-A which:
    - i. Does not need to be stamped and signed by the TDAP.
    - ii. Can be submitted to the UK customs on a copy of the Form-A (Annex).
4. The UK will provide a graduation period of at least three years before removing a country from the relevant GSP framework, which implies that the "Enhanced Framework" facility will likely remain available to Pakistan at least till the end 2023.

**Note:** The above information has been derived from UK Government's guidance document "Details on UK's Generalized Scheme of Preferences (GSP)" available at <https://www.gov.uk/transition> and will be updated if any subsequent changes are made by the UK Government. Any further clarifications from TDAP can be sought by writing to [kamalshahryar@tdap.gov.pk](mailto:kamalshahryar@tdap.gov.pk).

*ASG-II*  
*Please circulate*  
*it contain important information*  
*01/12/2020*