

## New UK GSP Scheme

The UK Government has launched its bespoke UK GSP Scheme “Developing Countries Trading Scheme (DCTS)”.

The scheme is introduced by the UK Government to facilitate developing countries to integrate into the global economy, create stronger trade and investment partnerships and strengthen supply chains.

DCTS will provide duty-free, quota-free trade to LDCs on everything but arms and duty-free, quota-free trade on 85% of eligible goods to most low income (LIC) and lower-middle income (LMIC) countries.

DCTS will replace the UK’s current Generalized Scheme of Preferences (GSP) in early 2023.

- 65 countries including Sri Lanka will now benefit from DCTS.
- There are 3 preferences within the DCTS as follows:
  - DCTS Comprehensive Preferences
  - DCTS Enhanced Preferences
  - DCTS Standard Preferences
- Sri Lanka is a beneficiary country under the DCTS Enhanced Preferences Scheme.
- As a beneficiary Sri Lankan export will receive zero duty for over 7000 eligible product lines (at HS 6 level) with the potential to grow under this scheme.
- For existing Exporters registered with the DOC
- Until DCTS is implemented the current Enhanced Framework will remain.
- Current Tariffs for Sri Lankan exports will remain under the new DCTS scheme.
- To check the tariff: <https://www.gov.uk/trade-tariff>
- DCTS will not change any Customs procedures. Exporters Self-Declaration requirement will remain until any changes are informed.
- Date of implementation of DCTS will be notified in advance.
- New /potential exporters to the UK – Please register with the DOC
- Policy paper on DCTS <https://www.gov.uk/government/publications/developing-countries-trading-scheme-dcts-new-policy-report/developing-countries-trading-scheme-government-policy-response>