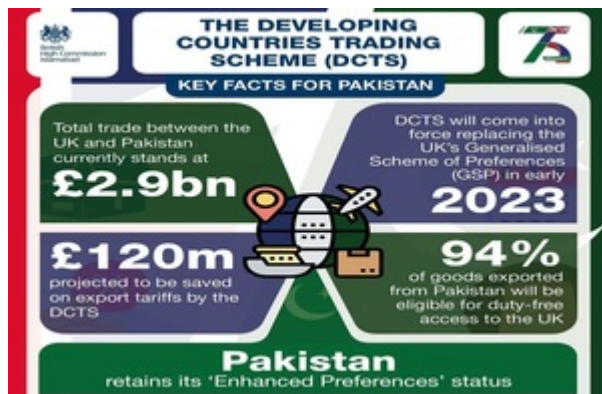


# New UK trade scheme paves the way for an increase in Pakistani exports

World news story

On Tuesday, the UK's International Trade Secretary, The Rt Hon Anne-Marie Trevelyan MP, launched the Developing Countries Trading Scheme (DCTS), providing tariff reductions and simpler terms of trade to 65 countries, including Pakistan, which will be implemented early next year.



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The scheme will help these countries grow and prosper, and in turn tackle poverty by harnessing the power of trade. The DCTS replaces the UK's Generalised Scheme of Preferences (GSP), a preferential trading system that provides tariff removals and reductions on various products.

Under the DCTS, Pakistan will continue to benefit from duty-free exports to the UK. In addition, the DCTS will remove tariffs on over 156 additional products. It will also simplify some seasonal tariffs, meaning additional and simpler access for Pakistan's exports to the UK.

Total trade (goods and services) between the UK and Pakistan each year currently stands £2.9bn. In total, 94% of goods exported from Pakistan will be eligible for duty-free access to the UK. Pakistan will save £120m in tariffs on exports to the UK under the scheme.

Pakistan, and other DCTS countries, will also be supported to participate in the international trading system through the UK's Trade Centre of Excellence, which will provide specialist support so that they can fully participate in the global trading system. This will include support on meeting trade standards, and participating in multilateral trade fora.

UK's Trade Director for Pakistan and British Deputy High Commissioner, Karachi, Sarah Mooney, said:

A prosperous UK-Pakistan relationship matters. As we celebrate 75 years of our bilateral relations, we want to further cement our strong ties and double bilateral trade by 2025. The newly announced DCTS Scheme will be pivotal in achieving this.

**Notes to editors:**

1. DCTS is a major milestone in growing free and fair trade with 65 developing nations that are home to more than 3.3 billion people. It is one of the most generous trade preferences schemes in the world, providing preferential trade access to 65 developing countries which collectively export over £21bn in goods to the UK.
2. The DCTS retains and strengthens the government's powers to suspend countries from the scheme if they systematically violate human rights and labour rights. It grounds all suspension decisions in the principles and obligations of international conventions and extends these to include climate change and environment related obligations. This signals UK's commitment to tackling climate change and reducing trade that is harmful to the environment.
3. Some of the specific goods which benefit most from the DCTS in Pakistan include over £250m of average annual exports to the UK of bedlinen and almost £100 million of jeans which will each receive a 12 percent reduction in import duty.

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