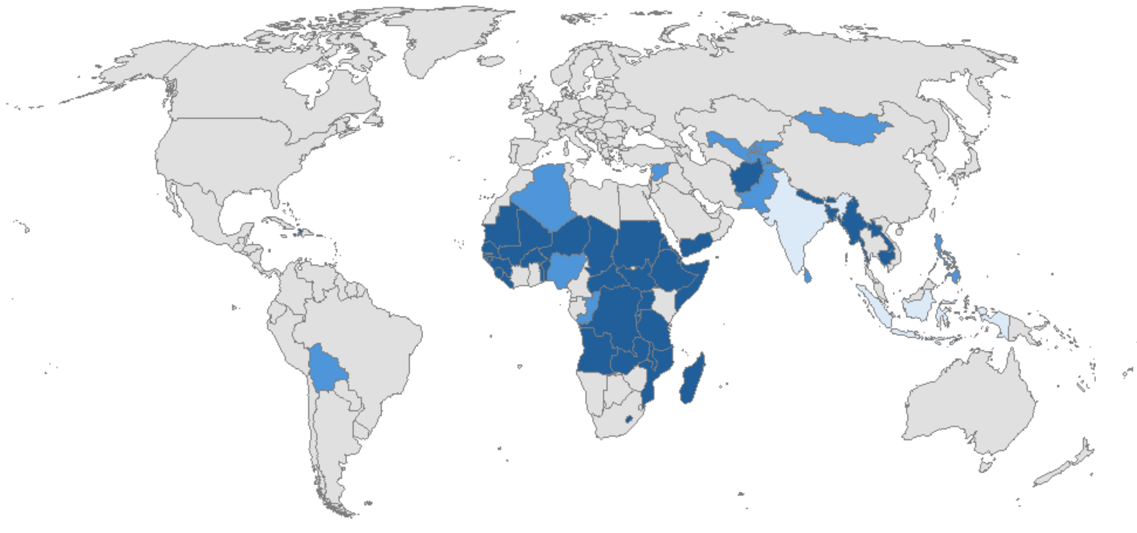
Foreign, Commonwealth & Development Office

Unlocking Tariff-Free Access to the UK:

Opportunities for Nepali Exporters under the UK's Developing Countries Trading Scheme

17 July 2026

The DCTS covers 65 countries…



… split into 3 preference tiers

Preference tiers	Sample Countries	Tariff benefits
Comprehensive preference	**Nepal**, Bangladesh, Ethiopia	99%[1] of products as duty free
Enhanced Preference	Pakistan, Sri Lanka, Nigeria	At least 92% of product as duty free
Standard Preference	Indonesia, India	65% of products as duty free

1. Everything but arms/ammunition. 2. Economically vulnerability is determined by a country's export diversification: If the country's 7 largest imports (by GSP sections) represent more than 75% of its total imports of eligible goods in value, the country is deemed to be economically vulnerable. Currently, there are 31 GSP sections grouped together from Chapter 1-99 under the Harmonised System.
Source: Department for Business and Trade

The DCTS also has simple, generous rules of origin allowing Nepal to source materials and input for manufacturing from up to 95 countries

More flexible rules of origin for LDCs

- Simple, generous product specific rules for Nepali businesses as the scheme allows 70% non-local content for almost 6,700 products, and up to 100% for garments
- Nepal can source material and input for the manufacturing of goods from up to 95 countries

Simplified trade conditions

- Transparent and predictable trading terms.

Easy access to information

- Business-friendly resources to ease access to trade information including tariff, country tier, and rules of origin
- Ability to identify key sectors and top opportunities for trade in the UK

Source: UK Developing Countries Trading Scheme (DCTS) rules of origin, gov.uk

Understanding UK demand is essential for maximising export opportunities

Based on current UK trends, opportunities for Nepali exporters include:

Carpets/Rugs

Kashmir/Wool Products

Apparel

Headwear

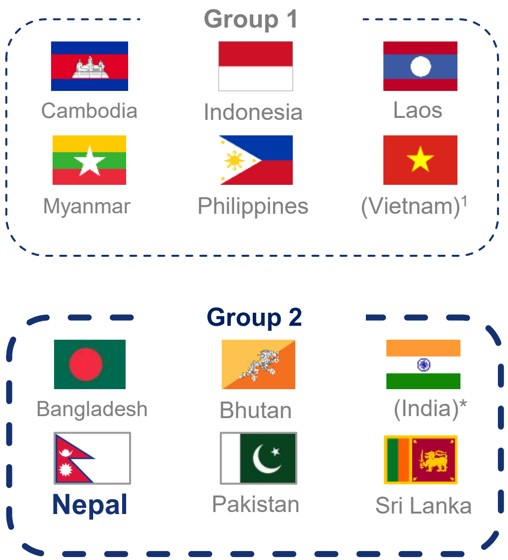
Tea and Natural Products

Handicrafts and Home Decor

Improvements to Rules of Origin: Cumulation

Nepali businesses now have greater flexibility in sourcing inputs regionally.

Previous Asia Regional Cumulation Groups



New and Improved Asia Regional Cumulation Group

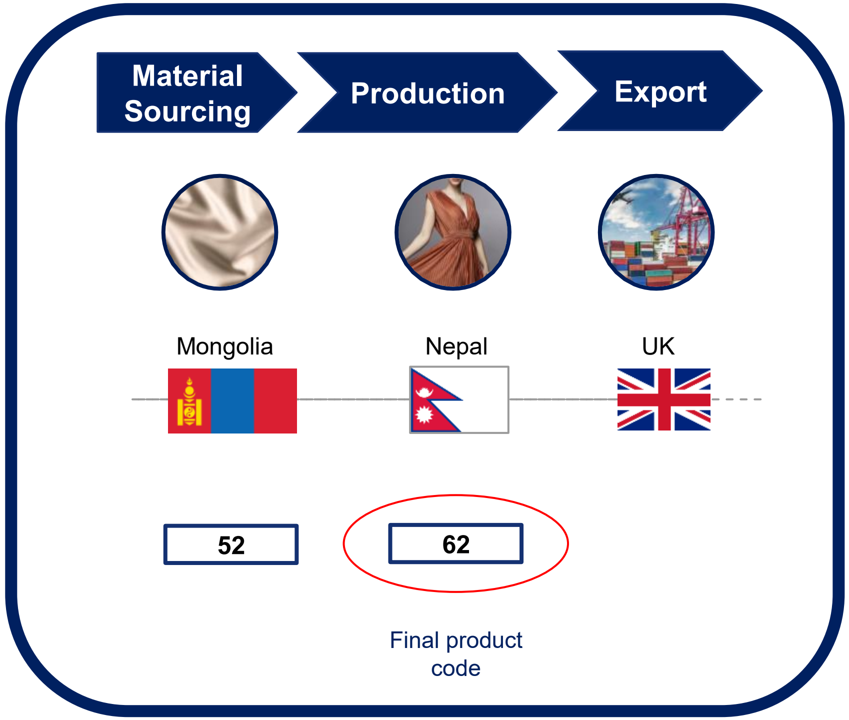
Nepal can import inputs from Vietnam and India for onward processing. This is one-way cumulation, and preferential tariffs apply only to Nepal and only to materials that are duty-free and quota-free under the UK–Vietnam FTA or UK-India CETA.

Improvements to Rules of Origin: Liberalisation of Product Specific Rules for garments

There will be NO change to RoO for garments as Nepal moves to Enhanced Tier as it graduates from LDC status.

Nepal will continue to benefit from:

- ✓ **sourcing up to 100% of input from another country for further manufacture,** as long as the required processing is carried out locally
- ✓ reduced **number of processing requirements** (printing, bleaching, dyeing etc).
- ✓ only one significant manufacturing process (e.g. cutting and sewing)
- ✓ Fewer mandatory steps like dyeing, printing, etc.



In 2025, £9.5m-worth of goods from Nepal have entered the UK at a lower tariff rate Thanks to the DCTS

Table One: Highest value imports by goods category from Nepal during 2025
January 2025 to December 2025 (£m)

Knitted/crocheted clothing (HS 61)

Preferences utilised: £2.9m

		Tariff rate	
CN8 Product	**Utilisation**	**DCTS**	**UK MFN**
Kashmir pullovers	£1.2m	0%	12%
Wool pullovers	£0.5m		

Non- knitted/crocheted clothing (HS 62)

Preferences utilised: £2.2m

		Tariff rate	
CN8 Product	**Utilisation**	**DCTS**	**UK MFN**
Wool/Hair scarves and shawls	£0.3m	0%	8%
Cotton women's dresses	£0.3m		12%

Wadding, Felt and nonwovens (HS 56)

Preferences utilised: £1.1m

		Tariff rate	
CN8 Product	**Utilisation**	**DCTS**	**UK MFN**
Coated felt	£0.9m	0%	6%
Non-coated felt	£0.1m		

Source: HMRC Importer Data by Preference. Data accessed June 2026. All data defined on an origin basis.

How to Leverage DCTS: Claiming Preferences

Nepali exports are not automatically qualified for the DCTS preferences.

In order to reap the benefits of the DCTS offer, exporters and traders must claim preferences.

This is a custom procedure in which businesses are required to prove the origin of their good and that processing requirements have been met in order to claim DCTS preferences.

Exporters need to:

1. **Classify their goods**
2. Check their goods meet the rules and that processing has gone beyond insufficient
3. Identify applicable standards and regulatory requirements
4. Arrange and maintain their supply chain and production documentation (e.g., proofs of origin and supplier declarations)

Traders must first identify the correct commodity code in order to meet the correct origin requirements and determine the correct tariff that applies to your product.

To do this please visit: www.gov.uk/trade-tariff

www.gov.uk/trade-tariff

Trade Tariff: look up commodity codes, duty and VAT rates

Use this service to find a commodity code for goods you're importing to or exporting from the UK.

You can also use the service to:

- check if there's duty or VAT to pay
- find out about suspensions or reductions

You'll need a commodity code when you fill in a customs declaration form, you pay the correct amount of tax and duties.

Start now >

Before you start

To find a commodity code for your goods, you'll need details of the product you're importing or exporting. This could include:

- the type of product
- what the product is used for
- the materials used to make it
- how it's produced
- the way it's packaged

Search for a commodity

Commodity codes are internationally recognised reference numbers. A commodity code describes a specific product when importing or exporting goods. You will use this code on any customs declarations.

▶ Tips on searching for products

Search the UK Integrated Online Tariff

cashmere jumpers

When are you planning to trade the goods?

You can enter the date your goods will be traded. This is important, as commodities, duties and quotas change over time. Use the format day, month, year, for example 27 3 2021. If you don't enter a date, today's date is used.

Day	Month	Year
13	7	2026

Search for a commodity

UK Integrated Online Tariff

→ Switch to the Northern Ireland Online Tariff

Subheading 611012 - Of kashmir (cashmere) goats

Subheading	611012	
Classification	Of kashmir (cashmere) goats	
Date of trade	13 July 2026	Change

There are **4 commodities** in this category. Choose the commodity code that best matches your goods to see more information. If your item is not listed by name, it may be shown under what it's used for, what it's made from or 'Other'.

There are important notes for classifying your goods shown further down this page

Textiles and textile articles	Section XI
└ Articles of apparel and clothing accessories, knitted or crocheted	Chapter 61
└ Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted	6110
└ Of wool or fine animal hair	6110 11
└ **Of kashmir (cashmere) goats**	6110 12

Open all headings Close all headings

Description	VAT	Third country duty	Supplementary unit	Commodity code
▼ **Men's or boys'**				6110 1210
– Hand-made jerseys, pullovers (with or without sleeves)	20% or 0%	12.00 %	p/st	6110 1210 10
– Other	20% or 0%	12.00 %	p/st	6110 1210 90
▼ **Women's or girls'**				6110 1290
– Hand-made jerseys, pullovers (with or without sleeves)	20% or 0%	12.00 %	p/st	6110 1290 10
– Other	20% or 0%	12.00 %	p/st	6110 1290 90

Open all headings Close all headings

FEEDBACK Tell us what you think - your feedback will help us improve.

Home > Browse > Section XI > Chapter 61 > Heading 6110 > Commodity 6110129010

Search the UK Integrated Online Tariff

Enter the name of the goods or commodity code

UK Integrated Online Tariff → Switch to the Northern Ireland Online Tariff

Commodity 6110 1290 10

Copy commodity code | Create and manage your tariff updates

Textiles and textile articles	Section XI
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└ Of kashmir (cashmere) goats	6110 12
└ Women's or girls'	6110 1290
└ **Hand-made jerseys, pullovers (with or without sleeves)**	6110 1290 10

Commodity	6110 1290 10	
Classification	Hand-made jerseys, pullovers (with or without sleeves)	
Commodity valid from	1 January 2002	
Supplementary unit	Number of items (p/st) ▶ What are supplementary units?	
Date of trade	13 July 2026	Change

Exporters need to:

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You are currently using the UK Integrated Online Tariff

Use this page to find:

- import and export measures, conditions and exemptions
- reduced or zero duty rates based on preferential rules of origin
- chapter notes and references

Select a country

Select or enter a country name to view UK measures

Nepal (NP) Reset to all countries

Set country

Import | Export | Origin | Notes

Origin allows for various policy measures to be implemented and for duties to be calculated.

There are two types of origin, subject to different rules, which may affect your trade.

Find out more about origin

More guidance can also be found at: **Identify tariffs by product under the Developing Countries Trading Scheme - GOV.UK**

Exporters need to:

1. Classify their goods
2. Check their goods meet the rules and that processing has gone beyond insufficient
3. **Identify applicable standards and regulatory requirements**
4. Arrange and maintain their supply chain and production documentation (e.g., proofs of origin and supplier declarations)

Goods imported into the UK must comply with 3 types of standards and meet import regulations.

To do this please visit: www.gov.uk/trade-tariff

1. Product Marking Standards
2. Labelling Standards
3. Marketing Standards

Products requiring licenses and certifications include animal products, plant products and high-risk foods.

OFFICIAL

Exporters need to:

1. Classify their goods
2. Check their goods meet the rules and that processing has gone beyond insufficient
3. Identify applicable standards and regulatory requirements
4. **Arrange and maintain their supply chain and production documentation (e.g., proofs of origin and supplier declarations)**

1. Establish proof of origin

1. The proof of origin for making a claim under the requirements of DCTS must take the form of an origin declaration (statement on origin) made out on an invoice or any other document or a Form A

2. The document must describe the goods in sufficient detail that allows them to be identified

2. Make an origin declaration

Exporters can choose to use one of the two documents as proof of origin

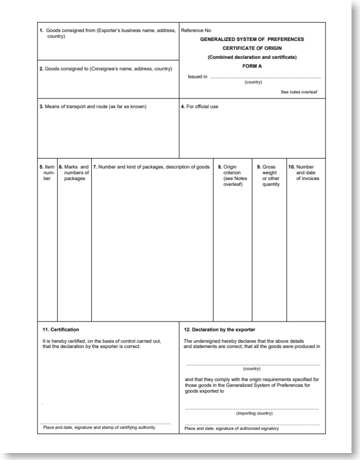
1) Origin Declaration

- On invoice, packing list, or consignment note

> The exporter of the products covered by this document (customs identification number ...(1)) declares that, except where otherwise clearly indicated, these products are of ...(2) preferential origin in accordance with the rules of origin of the Generalised Scheme of Preferences of the UK and that the origin criterion met is ... ... (3). (Place and date (4)) (Name and signature of the exporter)

Or

2) Form A



1. Goods consigned from (Exporter's business name, address, country)

Reference No

GENERALIZED SYSTEM OF PREFERENCES
CERTIFICATE OF ORIGIN
(Combined declaration and certificate)
FORM A

Issued in .... (country)

See notes overleaf

2. Goods consigned to (Consignee's name, address, country)

3. Means of transport and route (as far as known)

4. For official use

5. Item number	6. Marks and numbers of packages	7. Number and kind of packages, description of goods	8. Origin criterion (see Notes overleaf)	9. Gross weight or other quantity	10. Number and date of invoices

11. Certification

It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct.

....
Place and date, signature and stamp of certifying authority

12. Declaration by the exporter

The undersigned hereby declares that the above details and statements are correct; that all the goods were produced in

.... (country)

and that they comply with the origin requirements specified for those goods in the Generalized System of Preferences for goods exported to

.... (importing country)

....
Place and date, signature of authorized signatory

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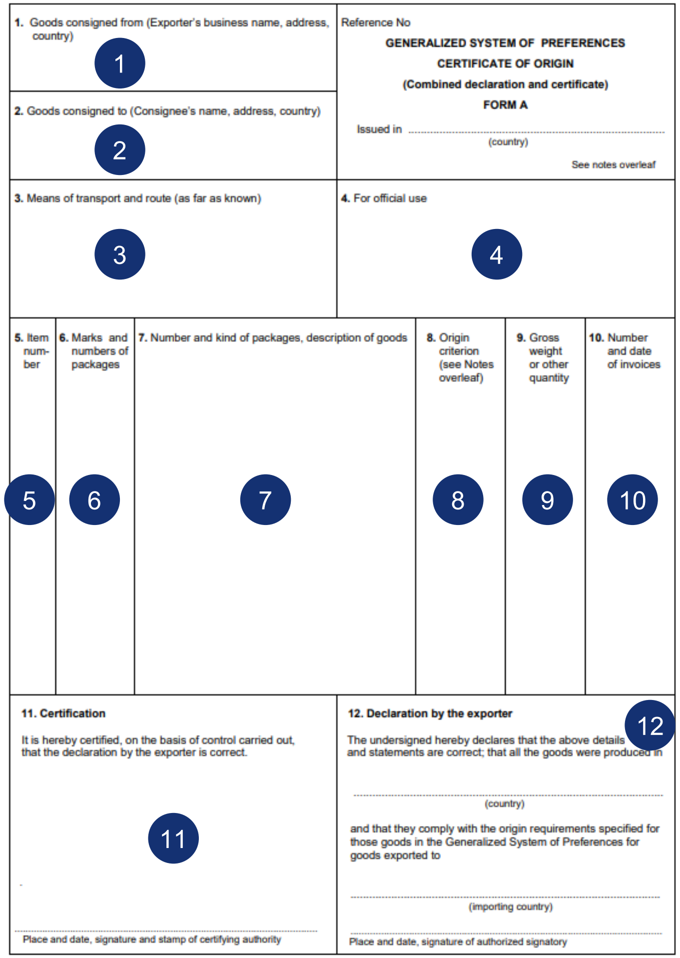
Form A

A Form A can be used as a template instead of an invoice or commercial document

The UK does not require it to be stamped by the exporting customs authority

If you do use a Form A, it should be completed as follows



1. Goods consigned from (Exporter's business name, address, country)

Reference No

GENERALIZED SYSTEM OF PREFERENCES

CERTIFICATE OF ORIGIN

(Combined declaration and certificate)

FORM A

Issued in ....

(country)

See notes overleaf

2. Goods consigned to (Consignee's name, address, country)

3. Means of transport and route (as far as known)

4. For official use

5. Item num-ber	6. Marks and numbers of packages	7. Number and kind of packages, description of goods	8. Origin criterion (see Notes overleaf)	9. Gross weight or other quantity	10. Number and date of invoices
5	6	7	8	9	10

11. Certification

It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct.

....

Place and date, signature and stamp of certifying authority

12. Declaration by the exporter

The undersigned hereby declares that the above details and statements are correct; that all the goods were produced in

....

(country)

and that they comply with the origin requirements specified for those goods in the Generalized System of Preferences for goods exported to

....

(importing country)

....

Place and date, signature of authorized signatory

Out of 12 boxes in Form A, not all boxes have to be filled. Some are optional or can be blanked unless known

Record keeping

7. Record keeping requirements

Beneficiary countries or, where relevant, the beneficiary customs authorities should require:

- an exporter that has completed a proof of origin
- a producer or supplier that has provided a written statement

to keep a copy of the relevant document, as well as any supporting documents required to evidence it, for at least three years from the end of the calendar year in which the proof of origin was completed, or longer if required by its laws and regulations.

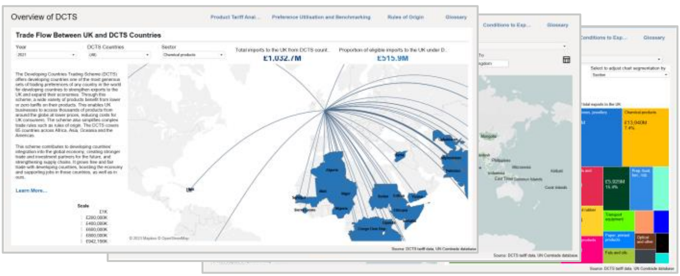
Documentation or records should be maintained in a way that allows them to be retrieved and printed.

Keeping records is crucial for exporters for several reasons:

1. Proof of Origin to access Preferential Tariffs
2. Prove Compliance with UK Customs Requirements
3. Ensure Smooth Clearance and Avoiding Penalties
4. Demonstrate Business Credibility and Risk Management
5. Important for Future Verification and Audits

Documentation or records should be maintained in a way that allows them to be retrieved and printed

An interactive dashboard with key DCTS, product and country information …



DCTS overview

- Explanation of the scheme, objectives and product breakdown by tariff
- Clear and detailed comparison with other major schemes

Importer and Exporter user journeys

- Clear description of user journeys for importers and exporters
- Provides information on tariff, product, country trade data & key economic indicators

… and a guide outlining step-by-step procedures to leverage preferences in the DCTS

Step-by-step process information

- How to leverage DCTS to export to the UK and claim preferences
- How to identify tariff based on country, and product

Clear definitions of terms

- Understanding UK standards and customs requirement
- Overview of rules of origin including case studies, and additional information on DCTS

All guidance and legislation can be found here: Trading with developing nations - GOV.UK (www.gov.uk).

Any queries: DCTSEnquiries@fcdo.gov.uk

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