



TDAP National Exporters Training Program (NETP)



Export Procedures and Documentation

LEVEL II

Instructor's Name





Instructor's Introduction

- Profile section 1
- Profile section 2
- Profile section 3



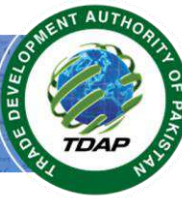
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What is Repatriation?



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Activity

Handout # NETP-HO-M2L2-01

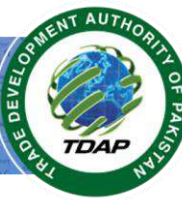
In your Activity Books
take out handout #
NETP-HO-M2L2-01



Read and answer the
question given below the
description

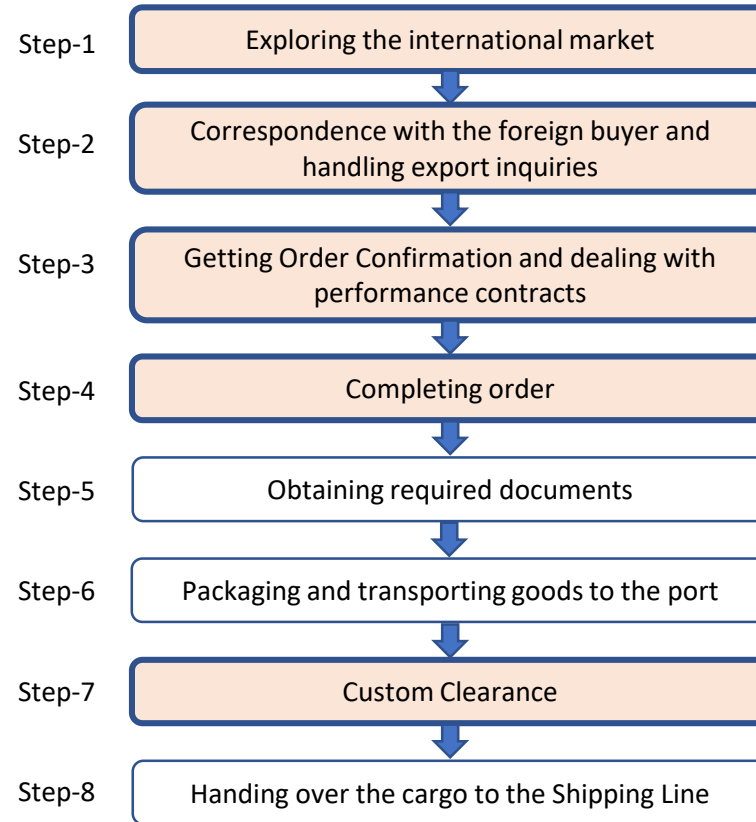


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Procedure of exporting from Pakistan



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Activity

Handout # NETP-HO-M2L2-02

In your Activity Books
take out handout #
NETP-HO-M2L2-02



Watch the video shown
by the instructor and
write important points
under the given headings

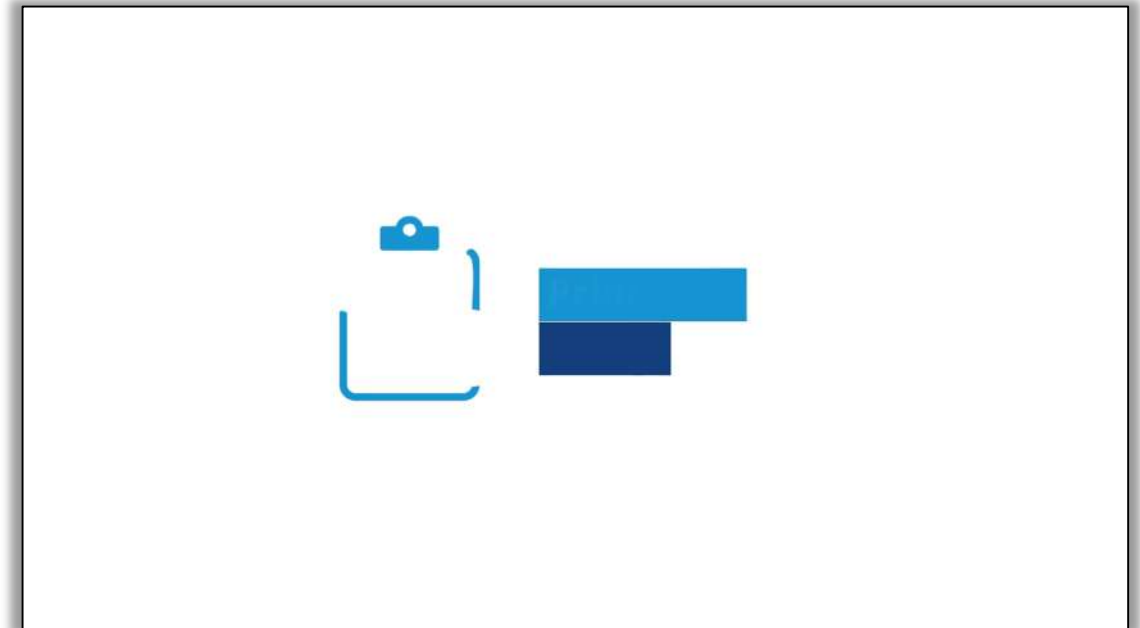
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Exploring the international market

- Doing desktop research
- Understanding competition
- Marketing
- Attend exhibitions and conferences
- Talking to existing exporters
- Contacting buying houses / distributors



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Correspondence with foreign buyer

- The order must be fully understood in smallest possible details
- Improve the English writing skills or appoint someone who has a good grip of English conversation.
- Written replies / emails to foreign buyers must be professionally looking and should be written in simple English to help a non-native English speaker understand.
- The company has to make sure that it is responsive enough to inquiries.
- Asking for the WhatsApp number in reply to a query should be considered.
- Make sure that you are dealing with a genuine buyer and that the payment is going to be received without hassle once the order is delivered.





Getting Order Confirmation

- Once the complete understanding of the required order has been developed, a 'proforma invoice' is normally generated which lists down all the details of the order, the quoted price and the delivery terms.
- A Proforma invoice or PFI can also be used to open LC.
- At this stage the payment mode and terms must be decided.
- The simplest way is the open-term payment
- It is highly recommended that a significant percentage of advance payment is taken at this stage.
- **INCOTERMS:** These terms decide upon the ownership of cost, risk, and responsibility of a certain stage in the entire exporting process. Delivery terms must be agreed at this stage
- **Performance Contracts:** A performance contract is a written agreement that outlines the detailed features of the goods or services to be exported, the timeline associated to the delivery of these goods, and a penalty that must be paid by the exporter to the foreign buyer in case these features are not incorporated, or the time targets are not met.





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INCOTERMS

	Any Transport Mode		Sea/Inland Waterway Transport				Any Transport Mode				
	EXW	FCA	FAS	FOB	CFR	CIF	CPT	CIP	DAT	DAP	DDP
Charges/Fees	Ex Works	Free Carrier	Free Alongside Ship	Free on Board	Cost & Freight	Cost Insurance & Freight	Carriage Paid To	Carriage Insurance Paid To	Delivered at Terminal	Delivered at Place	Delivered Duty Paid
Packaging	Foreign Buyer or Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter
Loading Charges	Foreign Buyer	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter
Delivery to Port/Place	Foreign buyer	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter
Export Duty & Taxes	Foreign buyer	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter
Origin Terminal Charges	Foreign Buyer	Foreign Buyer	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter
Loading on Carriage	Foreign Buyer	Foreign Buyer	Foreign Buyer	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter
Carriage Charges	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter	Exporter
Insurance						Exporter		Exporter			
Destination Terminal Charges	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Exporter	Exporter	Exporter	Exporter	Exporter
Delivery to Destination	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Exporter
Import Duty & Taxes	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Foreign Buyer	Exporter



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Activity

Handout # NETP-HO-M2L2-03

In your Activity Books
take out handout #
NETP-HO-M2L2-03



Review the INCOTERMS
and suggest terms for
the scenarios given on
the last page of handout

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Completing the Order

- Normally an order is confirmed on some agreed features of the product.
- This can be done by sending samples to the foreign buyer or getting a detailed design from them.
- In either case, the features agreed in the beginning have to be adhered to at any cost and in case this is impossible the foreign buyer should be taken into confidence.
- Depending upon the customer demand, some certification or third-party inspections may also need to be done to make sure that the final product meets the specifications agreed upon in the beginning.
- One aspect of these specifications is the packaging. This is especially important in case of edible goods.
- A HORECA (HOTels, RESTaurants, CAFés) packaging is normally used for food items while pharmaceutical products have their own requirements.



GSP⁺ and REX system

- GSP Plus status of Pakistan means that our exports to the European Union, Switzerland, and Norway are charged at reduced rates of tariff. This makes our products more competitive in these countries.
- In this case an exporter is not required to obtain a certificate of origin from the chamber of commerce.
- Instead, a statement on origin is to be included in any of the accompanied commercial export documents that contains the date of issue, description of the product, name and full address of the exporter, and name and full address of consignee.
- Following is the statement that should be written to declare the origin:
*"The exporter ... [Number of Registered Exporter] of the products covered by this document declares that, except where otherwise clearly indicated, these products are of **Pakistan** preferential origin according to rules of origin of the Generalized System of Preferences of the European Union and that the origin criterion met is [Letter designation of origin]"*
- Letter designation of origin are the standard letters defined by the 'Rex Guide' developed by the European Commission. These designations are as follows:
 - Use letter 'P' for products which are wholly obtained from Pakistan
 - Use letter 'W' followed by a heading of the Harmonized System (for example 'W' 8612) for products sufficiently worked or processed in Pakistan
- REX number is issued by TDAP in Pakistan



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Guest Speaker



Mr. _____



Activity

Handout # NETP-HO-M2L2-04

In your Activity Books
take out handout #
NETP-HO-M2-07



Chose the right answer in
the MCQs in the
handout. Find answers
from the essay on page 2

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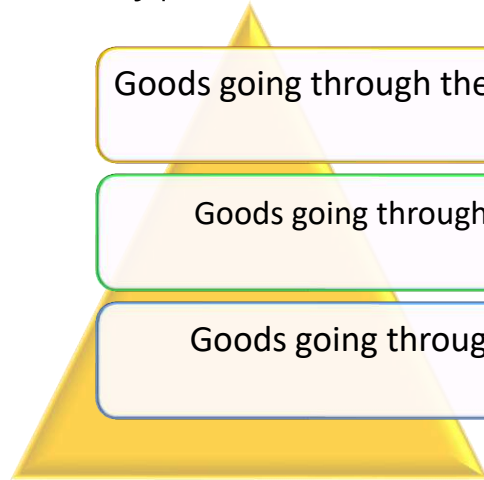
Custom Clearance

- Pakistan Customs mainly examines 'Goods Declaration or (GD)' and 'Packing List (PL)' and then compares it with the physical goods packaged for export.
- The objective of preventing money laundering is done by checking if the value of the goods to be exported is declared sensibly.
- There are three types of Custom channels Red, Yellow, and Green.

Goods going through the **red channel** are required to be thoroughly inspected and its GD and PL are to be examined in detail.

Goods going through the **yellow channel** are not examined in physical and normally their documents are inspected for compliance.

Goods going through the **green channel** are not inspected and their documents are considered error free.



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Custom Clearance

- Because of the automation of the current system through WeBOC, the decision of which channel to choose for a certain shipment is totally computer based and the system decides it by analyzing the history of the exporter.
- This means the new exporter has a 100% chance of getting thoroughly inspected because they don't have any history.
- When the new exporters successfully send shipments, which are found safe and compliant and their documentation error free then the system automatically upgrades the exporter to the yellow and gradually to the green channel.
- WeBOC or Web Based One Customs now integrates most of the stakeholders involved in the process of exporting and had made processes quicker.



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Activity

Handout # NETP-HO-M2L2-05

In your Activity Books
take out handout #
NETP-HO-M2-10



In the flowchart given in
the handout, write a few
requirements of each
stage

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Thank You



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