

What is the Developing Countries Trading Scheme (DCTS)?

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About Developing Countries Trading Scheme (DCTS)

- It is a scheme 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.
- It is a simpler and more generous preferential trading scheme which has been designed to boost trade with developing countries in order to support their development.
- It reduces or removes rates of duty, or tariffs, on imports from eligible developing countries into the UK.
- It also enables UK businesses to access thousands of products from around the globe at lower prices, reducing costs for UK consumers.
- The DCTS applies to 65 countries, that are:
 - least developed countries (LDCs) as defined by the United Nations.
 - low-income countries (LIC) and lower middle-income countries (LMIC) as defined by the World Bank.
- 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 LIC and LMIC countries.

- The DCTS does not extend to countries and territories deemed by the World Bank as 'upper-middle income' for three consecutive years, or to LICs and LMICs who have a free trade agreement (FTA) with the UK.
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Q1) What is the Directorate General of Foreign Trade (DGFT)?

It is a government organization in India responsible for the formulation of exim guidelines and principles for Indian importers and Indian exporters of the country. It is an attached office of the Ministry of Commerce and Industry and is headed by the Director General of Foreign Trade. It has been assigned the role of "facilitator". It is responsible for implementing the Foreign Trade Policy or Exim Policy with the main objective of promoting Indian exports.

Source: [Exporters need to follow new UK rules to avail duty benefits: DGFT](#)

Source: <https://vajiramandravi.com/current-affairs/developing-countries-trading-scheme/>

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