



BWC Conference

Availability of Trade Data and its use in other regimes

The Harmonized System as a multipurpose instrument

Alvaro FERNANDEZ-ACEBES
WCO Tariff and Trade Affairs Directorate
BWC Conference – GENEVE – December 2012



The World Customs Organization ...the only intergovernmental organisation uniquely competent in Customs matters



World Customs Organization
Organisation Mondiale des Douanes



The WCO, an organisation with global reach...

178 Members divided into 6 regions

responsible for processing 98% of international trade





The WCO, some historical background

(1) The Convention establishing a Customs Co-operation Council (CCC) was signed in Brussels

1950



1952

(2) The CCC Convention entered into force on 4 November

1953

(3) The inaugural session of the CCC Council was held on 26 January 1953 with 17 founding Members.

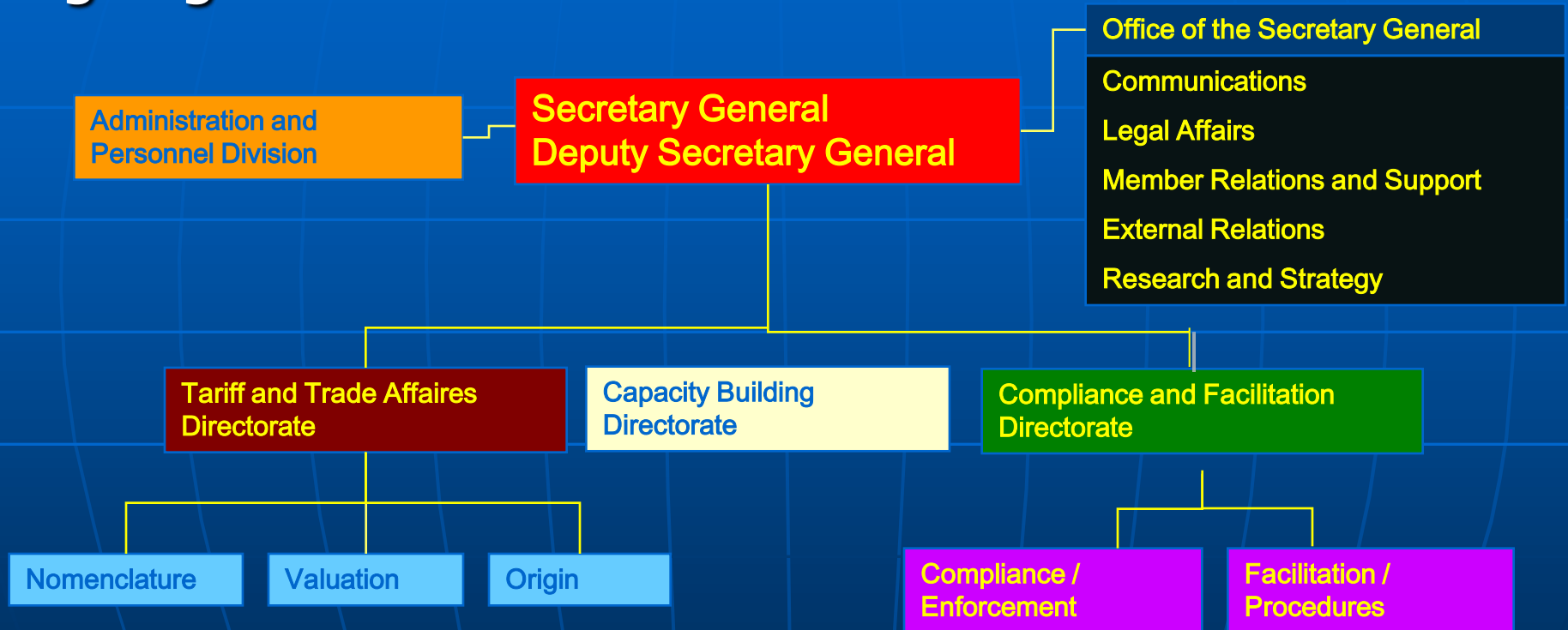
1994

(4) In 1994, the Customs Co-operation Council (CCC) adopted the informal working name :
"World Customs Organization"



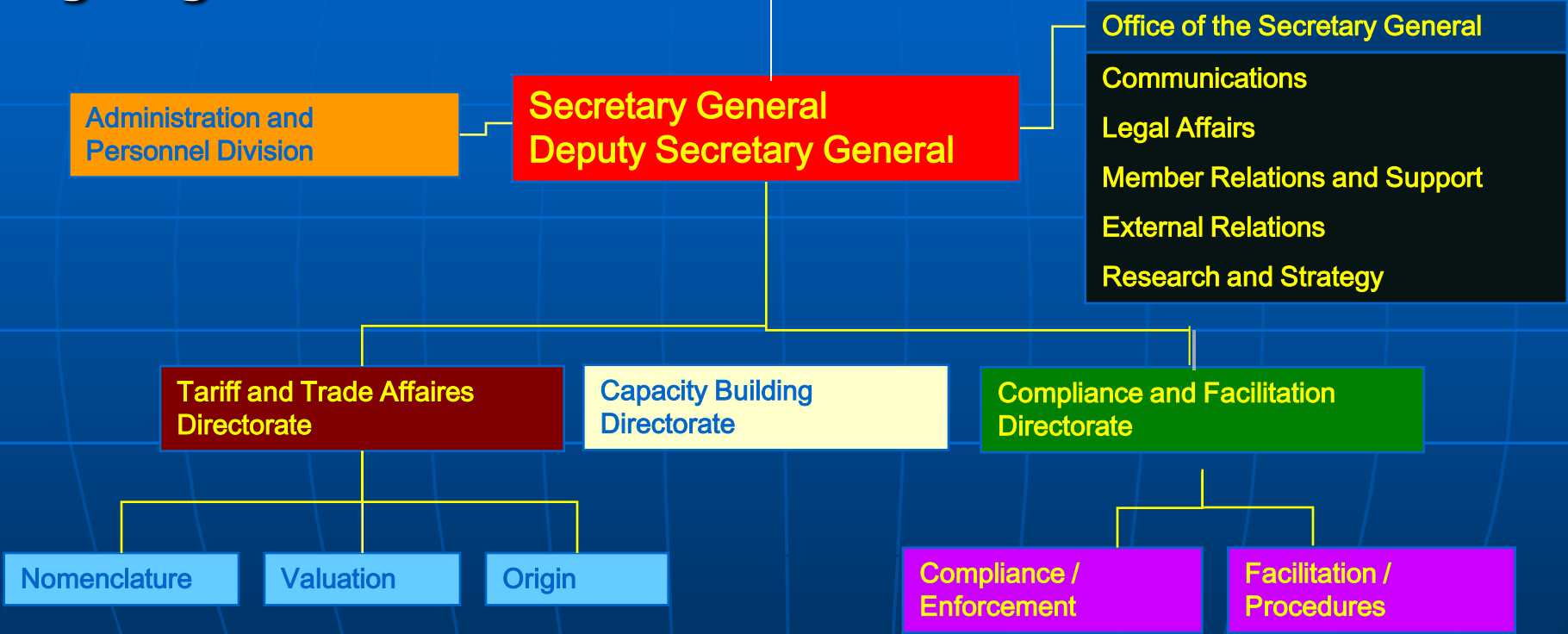
Kunio Mikuriya

Organigramme of the WCO Secretariat





Organigramme of the WCO Secretariat





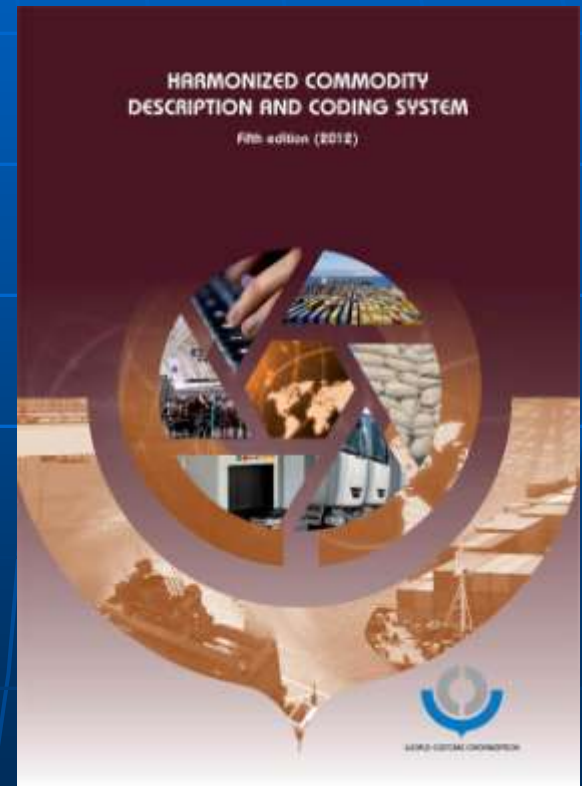
The WCO, an objective

...to secure the highest degree of
harmony and uniformity in
Customs systems



The Harmonized System 2012

**A universal economic language and code for goods,
and an indispensable tool for international trade.**



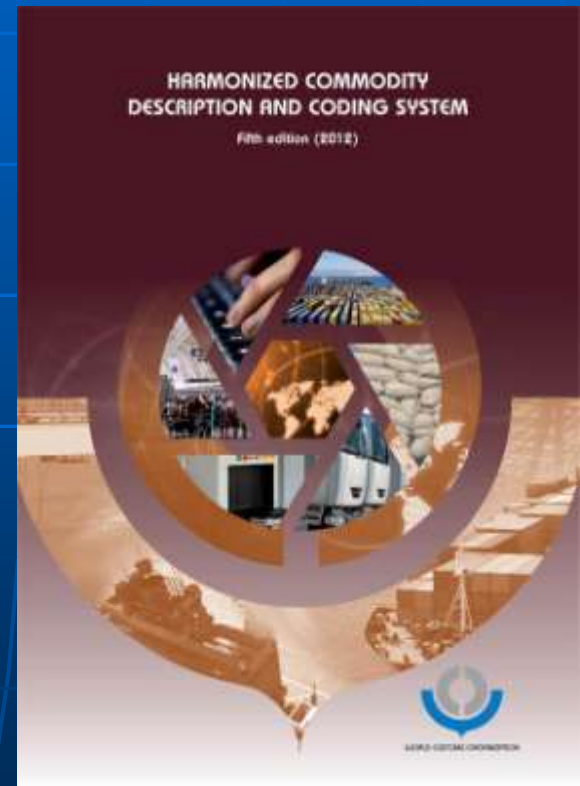


The Harmonized System 2012

**A universal economic language and code for goods,
and an indispensable tool for international trade.**

Used by :

- Customs and statisticians**
- Governments**
- International organizations**
- Private sector**





The Harmonized System 2012

Multipurpose Goods Nomenclature

- Basis for Customs Tariffs and Trade Statistics of **more than 200** (98 % of the world) countries and economies
- A universal economic language and code for transportable goods
- Implemented internationally in 1988 by the HS Convention (**145 Contracting Parties** by December 2012)
- Maintained by WCO through the HS Committee by the Nomenclature Sub-Directorate.



The Harmonized System 2012

Many purposes, such as :

- customs duties/internal taxes
- trade policies
- **monitoring of controlled goods**
- rules of origin
- statistics, national accounts, research
- price monitoring
- quota controls



The Harmonized System 2012

International Convention on the Harmonized Commodity Description and Coding System

- 20 ARTICLES

- + ANNEX (5.205 “6-digit” subheadings) :



The Harmonized System 2012

Convention

20 ARTICLES

Articles 1,2 : Definitions

Articles 3 -5, 9 : Obligations of Contracting Parties
(implementation, application, publicity, technical assistance)

Articles 6-8 : Roles of the Committees and the Council

Article 10 : Settlement of disputes

Articles 11-15, 17-19 : Becoming Contracting Parties
(procedures, denunciation, rights)

Article 16 : Amendment procedure

Article 20 : Registration with the United Nations



The Harmonized System 2012

Convention

ARTICLE 3

Obligations of Contracting Parties

1. Subject to the exceptions enumerated in Article 4 :
 - (a) Each Contracting Party undertakes, except as provided in subparagraph (c) of this paragraph, that from the date on which this Convention enters into force in respect of it, its Customs tariff and statistical nomenclatures shall be in conformity with the Harmonized System. It thus undertakes that, in respect of its Customs tariff and statistical nomenclatures :
 - (i) it shall use all the headings and subheadings of the Harmonized System without addition or modification, together with their related numerical codes;
 - (ii) it shall apply the General Rules for the interpretation of the Harmonized System and all the Section, Chapter and Subheading Notes, and shall not modify the scope of the Sections, Chapters, headings or subheadings of the Harmonized System; and
 - (iii) it shall follow the numerical sequence of the Harmonized System;
 - (b) Each Contracting Party shall also make publicly available its import and export trade statistics in conformity with the six-digit codes of the Harmonized System, or, on the initiative of the Contracting Party, beyond that level, to the extent that publication is not precluded for exceptional reasons such as commercial confidentiality or national security;

The Harmonized System 2012

Convention

ARTICLE 16

Amendment procedure

1. The Council may recommend amendments to this Convention to the Contracting Parties.
2. Any Contracting Party may notify the Secretary General of an objection to a recommended amendment and may subsequently withdraw such objection within the period specified in paragraph 3 of this Article.
3. Any recommended amendment shall be deemed to be accepted six months after the date of its notification by the Secretary General provided that there is no objection outstanding at the end of this period.
4. Accepted amendments shall enter into force for all Contracting Parties on one of the following dates :
 - (a) where the recommended amendment is notified before 1 April, the date shall be the first of January of the second year following the date of such notification,
 - or
 - (b) where the recommended amendment is notified on or after 1 April, the date shall be the first of January of the third year following the date of such notification.
5. The statistical nomenclatures of each Contracting Party and its Customs tariff nomenclature or, in the case provided for under paragraph 1 (c) of Article 3, its combined tariff/statistical nomenclature, shall be brought into conformity with the amended Harmonized System on the date specified in paragraph 4 of this Article.
6. Any State or Customs or Economic Union signing without reservation of ratification, ratifying or acceding to this Convention shall be deemed to have accepted any amendments thereto which, at the date when it becomes a Contracting Party, have entered into force or have been accepted under the provisions of paragraph 3 of this Article.



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THE ANNEX

Structure (HS 2012-edition)

21 Sections

- **96 Chapters**

- 1,224 4-digit headings**

- **5,205 6-digit HS-codes**

The Harmonized System 2012

THE ANNEX

SECTION I LIVE ANIMALS; ANIMAL PRODUCTS

Section Notes.

- 1 Live animals.
- 2 Meat and edible meat offal.
- 3 Fish and crustaceans, molluscs and other aquatic invertebrates.
- 4 Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere specified or included.
- 5 Products of animal origin, not elsewhere specified or included.

SECTION II VEGETABLE PRODUCTS

Section Note.

- 6 Live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage.
- 7 Edible vegetables and certain roots and tubers.
- 8 Edible fruit and nuts; peel of citrus fruit or melons.
- 9 Coffee, tea, maté and spices.
- 10 Cereals.
- 11 Products of the milling industry; malt; starches; inulin; wheat gluten.
- 12 Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal plants; straw and fodder.
- 13 Lac; gums, resins and other vegetable saps and extracts.
- 14 Vegetable plaiting materials; vegetable products not elsewhere specified or included.

SECTION III ANIMAL OR VEGETABLE FATS AND OILS AND THEIR CLEAVAGE PRODUCTS; PREPARED EDIBLE FATS; ANIMAL OR VEGETABLE WAXES

- 15 Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes.

SECTION IV PREPARED FOODSTUFFS; BEVERAGES, SPIRITS AND VINEGAR; TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES

Section Note.

- 16 Preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates.
- 17 Sugars and sugar confectionery.
- 18 Cocoa and cocoa preparations.
- 19 Preparations of cereals, flour, starch or milk; pastrycooks' products.
- 20 Preparations of vegetables, fruit, nuts or other parts of plants.
- 21 Miscellaneous edible preparations.
- 22 Beverages, spirits and vinegar.
- 23 Residues and waste from the food industries; prepared animal fodder.
- 24 Tobacco and manufactured tobacco substitutes.

SECTION V MINERAL PRODUCTS

- 25 Salt; sulphur; earths and stone; plastering materials, lime and cement.
- 26 Ores, slag and ash.
- 27 Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.

The Harmonized System 2012

THE ANNEX

SECTION VI PRODUCTS OF THE CHEMICAL OR ALLIED INDUSTRIES

Section Notes.

- 28 Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes.
- 29 Organic chemicals.
- 30 Pharmaceutical products.
- 31 Fertilisers.
- 32 Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks.
- 33 Essential oils and resinoids; perfumery, cosmetic or toilet preparations.
- 34 Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and dental preparations with a basis of plaster.
- 35 Albuminoidal substances; modified starches; glues; enzymes.
- 36 Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations.
- 37 Photographic or cinematographic goods.
- 38 Miscellaneous chemical products.

SECTION VII PLASTICS AND ARTICLES THEREOF; RUBBER AND ARTICLES THEREOF

Section Notes.

- 39 Plastics and articles thereof.
- 40 Rubber and articles thereof.

SECTION VIII RAW HIDES AND SKINS, LEATHER, FURSKINS AND ARTICLES THEREOF; SADDLERY AND HARNESS; TRAVEL GOODS, HANDBAGS AND SIMILAR CONTAINERS; ARTICLES OF ANIMAL GUT (OTHER THAN SILK-WORM GUT)

- 41 Raw hides and skins (other than furskins) and leather.
- 42 Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut).
- 43 Furskins and artificial fur; manufactures thereof.

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THE ANNEX

**SECTION IX
WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL;
CORK AND ARTICLES OF CORK;
MANUFACTURES OF STRAW, OF ESPARTO OR
OF OTHER PLAITING MATERIALS;
BASKETWARE AND WICKERWORK**

- 44 Wood and articles of wood; wood charcoal.
- 45 Cork and articles of cork.
- 46 Manufactures of straw, of esparto or of other plaiting materials; basketware and wickerwork.

**SECTION X
PULP OF WOOD OR OF OTHER FIBROUS
CELLULOSIC MATERIAL;
RECOVERED (WASTE AND SCRAP) PAPER OR
PAPERBOARD;
PAPER AND PAPERBOARD AND ARTICLES THEREOF**

- 47 Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard.
- 48 Paper and paperboard; articles of paper pulp, of paper or of paperboard.
- 49 Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans.

**SECTION XI
TEXTILES AND TEXTILE ARTICLES**

Section Notes.

- 50 Silk.
- 51 Wool, fine or coarse animal hair; horsehair yarn and woven fabric.
- 52 Cotton.
- 53 Other vegetable textile fibres; paper yarn and woven fabrics of paper yarn.
- 54 Man-made filaments; strip and the like of man-made textile materials.
- 55 Man-made staple fibres.
- 56 Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof.
- 57 Carpets and other textile floor coverings.
- 58 Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery.
- 59 Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use.
- 60 Knitted or crocheted fabrics.
- 61 Articles of apparel and clothing accessories, knitted or crocheted.
- 62 Articles of apparel and clothing accessories, not knitted or crocheted.
- 63 Other made up textile articles; sets; worn clothing and worn textile articles; rags.

The Harmonized System 2012

THE ANNEX

SECTION XII

FOOTWEAR, HEADGEAR, UMBRELLAS, SUN UMBRELLAS, WALKING-STICKS, SEAT-STICKS, WHIPS, RIDING-CROPS AND PARTS THEREOF; PREPARED FEATHERS AND ARTICLES MADE THEREWITH; ARTIFICIAL FLOWERS; ARTICLES OF HUMAN HAIR

- 64 Footwear, gaiters and the like; parts of such articles.
- 65 Headgear and parts thereof.
- 66 Umbrellas, sun umbrellas, walking-sticks, seat-sticks, whips, riding-crops and parts thereof.
- 67 Prepared feathers and down and articles made of feathers or of down; artificial flowers; articles of human hair.

SECTION XIII

ARTICLES OF STONE, PLASTER, CEMENT, ASBESTOS, MICA OR SIMILAR MATERIALS; CERAMIC PRODUCTS; GLASS AND GLASSWARE

- 68 Articles of stone, plaster, cement, asbestos, mica or similar materials.
- 69 Ceramic products.
- 70 Glass and glassware.

SECTION XIV

NATURAL OR CULTURED PEARLS, PRECIOUS OR SEMI-PRECIOUS STONES, PRECIOUS METALS, METALS CLAD WITH PRECIOUS METAL AND ARTICLES THEREOF; IMITATION JEWELLERY; COIN

- 71 Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metal and articles thereof; imitation jewellery; coin.

SECTION XV

BASE METALS AND ARTICLES OF BASE METAL

Section Notes.

- 72 Iron and steel.
- 73 Articles of iron or steel.
- 74 Copper and articles thereof.
- 75 Nickel and articles thereof.
- 76 Aluminium and articles thereof.
- 77 *(Reserved for possible future use in the Harmonized System)*
- 78 Lead and articles thereof.
- 79 Zinc and articles thereof.
- 80 Tin and articles thereof.
- 81 Other base metals; cermets; articles thereof.
- 82 Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal.
- 83 Miscellaneous articles of base metal.

SECTION XVI

MACHINERY AND MECHANICAL APPLIANCES; ELECTRICAL EQUIPMENT; PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES

Section Notes.

- 84 Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof.
- 85 Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles.

The Harmonized System 2012

THE ANNEX

SECTION XVII VEHICLES, AIRCRAFT, VESSELS AND ASSOCIATED TRANSPORT EQUIPMENT

Section Notes.

- 86 Railway or tramway locomotives, rolling-stock and parts thereof, railway or tramway track fixtures and fittings and parts thereof, mechanical (including electro-mechanical) traffic signalling equipment of all kinds.
- 87 Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof.
- 88 Aircraft, spacecraft, and parts thereof.
- 89 Ships, boats and floating structures.

SECTION XVIII OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; CLOCKS AND WATCHES; MUSICAL INSTRUMENTS; PARTS AND ACCESSORIES THEREOF

- 90 Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts and accessories thereof.
- 91 Clocks and watches and parts thereof.
- 92 Musical instruments; parts and accessories of such articles.

SECTION XIX ARMS AND AMMUNITION; PARTS AND ACCESSORIES THEREOF

- 93 Arms and ammunition; parts and accessories thereof.

SECTION XX MISCELLANEOUS MANUFACTURED ARTICLES

- 94 Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings.
- 95 Toys, games and sports requisites; parts and accessories thereof.
- 96 Miscellaneous manufactured articles.

SECTION XXI WORKS OF ART, COLLECTORS' PIECES AND ANTIQUES

- 97 Works of art, collectors' pieces and antiques.



The Harmonized System 2012

THE ANNEX

Structure of the code

3821.00 Prepared culture media for the development or maintenance of micro-organisms (including viruses and the like) or of plant, human or animal cells



The Harmonized System 2012

THE ANNEX

Structure of the code

3821.00 Prepared culture media for the development or maintenance of micro-organisms (including viruses and the like) or of plant, human or animal cells

- **38** = Chapter number
- **21** = the 21st heading within Chapter 38
- **00** = not further subdivided

N.B. One-dash subheadings can be further subdivided at one or two-dash level :



The Harmonized System 2012

THE ANNEX

Structure of the code

4002.11 (latex)

- **40** = Chapter number
- **02** = the 2nd heading within Chapter 40
- **11** = subdivided at two-dash level
subheading 4002.19 covers "other"



The Harmonized System 2012

THE ANNEX

38.21	3821.00	Prepared culture media for the development or maintenance of micro-organisms (including viruses and the like) or of plant, human or animal cells.
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40.02		Synthetic rubber and factice derived from oils, in primary forms or in plates, sheets or strip; mixtures of any product of heading 40.01 with any product of this heading, in primary forms or in plates, sheets or strip.
		- Styrene-butadiene rubber (SBR); carboxylated styrene-butadiene rubber (XSBR) :
	4002.11	-- Latex
	4002.19	-- Other



Possible correlation between controlled items from the EU Dual Use Regulations and HS categories

But one HS category can include many controlled and uncontrolled items.

6A203 Cameras and components, other than those specified in 6A003, as follows:
..... (From EU regulation, See Fig.1)

- 8525.80 Television cameras, digital cameras and video camera recorders
- 8540.20 Television Camera Tubes; Image Converters and Intensifiers; Photo-cathode Tubes
- 9002.90 "other" optical elements, of any material, mounted, being parts of or fittings for instruments or apparatus...
- 9027.80 "other" 90 27 ...instruments and apparatus for measuring or checking viscosity, porosity, expansion, surface tension ...
- 9027.90 Microtomes, parts and accessories (of 9027)

...but one HS category can include many controlled and uncontrolled items

9027.80 "other"
90.27 ...instruments and apparatus for measuring or checking viscosity, porosity, expansion, surface tension ...

- 0B002. g. UF6 mass spectrometers/ion sources specially designed or prepared for ...
- 0B005 Plant specially designed for the fabrication of "nuclear reactor" fuel elements...
- 1A004. c. Nuclear, biological and chemical (NBC) detection systems...
- 1A004. d. Electronic equipment designed for automatically detecting or identifying the presence of "explosives" residues ...
- 1B115. Equipment, other than that specified in 1B002 or 1B102, for the production of propellant....
- 2B352.g. Chambers designed for aerosol challenge testing with "microorgan sms", viruses or "toxins"...
- 3A233 Mass spectrometers, other than those specified in 0B002.g., capable of measuring ions of 230 atomic mass units ...
- 6A003 Cameras, systems or equipment, and components therefor, as follows: ...
- 6A102 Radiation hardened "detectors", other than those specified in 6A002, ...
- 6A203 Cameras and components, other than those specified in 6A003, as follows: ...
- 9B106 Environmental chambers and anechoic chambers, as follows: ...



NOMENCLATURE AND CLASSIFICATION OF GOODS

Overview

News

Activities and Programmes

Instruments and Tools

HS Convention

HS Nomenclature 2012 Edition

HS Nomenclature older edition

Recommendations Related to the Harmonized System

Classification Decisions

Harmonized System Database Online

More Information



Correlations between the HS and international conventions

The interconnection table document contains the correlations between the Harmonized System and selected international conventions as drawn by the World Customs Organization Secretariat in collaboration with the Secretariats of the organizations administering the conventions or agreements set out below, in accordance with instructions received from the Harmonized System Committee.

Although the attached table was examined by the Harmonized System Committee, it is not to be regarded as reflecting classification decisions taken by that Committee; it constitutes a reference published by the WCO Secretariat for the purpose of facilitating the monitoring and control of certain products covered by other international conventions. The table is non-exhaustive and merely indicative and has **no legal or official status**.

Correlation table between the HS and selected international conventions

[Interconnection Table](#)



HS 2012 Classification Tools

CORRELATION BETWEEN THE PRODUCT COVERAGE OF SELECTED INTERNATIONAL CONVENTIONS AND THE HARMONIZED SYSTEM

This publication contains the correlations between the 5205 subheadings of the HS and selected international conventions. The table is merely indicative and has **no legal or official status**

HS Code	WASTE A-I	WASTE A-II	WASTE A-III	WASTE B-I	WASTE B-II	OZONE	CITES	NARCOTICS	CWC	CIVIL AIRCRAFT	INN	ROTTERDAM/ STOCKHOLM
2833.22											EX	
28.37		EX										
2841.50				EX	EX							
2841.61								X				
2842.10											EX	
2842.90											EX	
2843.30								EX			EX	
2843.90								EX			EX	
2844.40									EX		EX	
2845.90									EX		EX	
2846.90					EX						EX	
2849.10					EX							
2849.20	X				EX							
2852.00				X	EX							X(R)
2853.00									EX			

(X = full coverage, EX = partial coverage)



BWC Conference

Towards a trade monitoring for the BWC?

How to amend the HS for biotechnology items?

Alvaro FERNANDEZ-ACEBES
WCO Tariff and Trade Affairs Directorate
BWC Conference – GENEVE – December 2012



The Harmonized System 2012

Implemented in 1988

HS Codes : 5019

Amended in 1992

- Mainly editorial

HS Codes : 5018

Amended in 1996

- 393 sets of amendments

HS Codes : 5113

Amended in 2002

- 374 sets of amendments

HS Codes : 5225

Amended in 2007

- 354 sets of amendments

HS Codes : 5052

Amendments for 2012

- **225 sets of amendments**

HS Codes : 5205



The Harmonized System 2012

UPDATING THE HS

Amendments :

- Technological progress
- Changes in trade patterns
- Clarification of texts
- Environmental issues
- Simplification



HS 2012 Amendments - Chapter 28

Environmental and Social

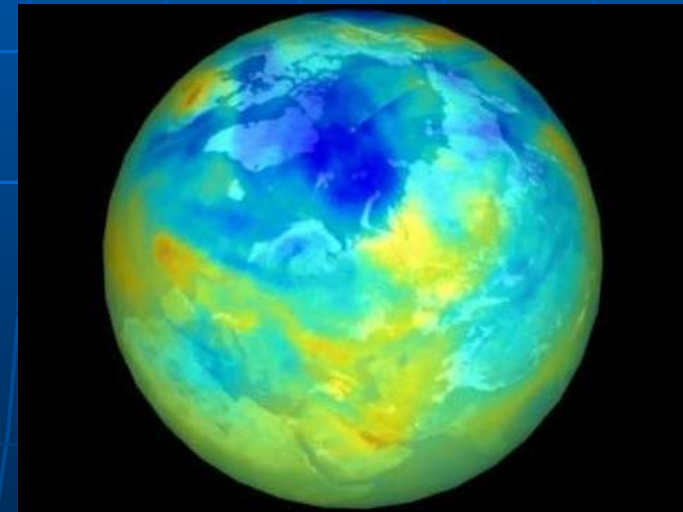
Ozone Depleting Substances (ODS) – Montreal Protocol

Chlorofluorocarbons (**CFCs**) have much higher Ozone depleting potential than Hydrochlorofluorocarbons (**HCFCs**).

However, none of the **CFCs** is commercialized by 2010 and most of the **HCFCs** are still marketed.

HS 2007 – Heading 29.03
Separate provisions only for **CFCs**

HS 2012 – Heading 29.03
Separate provisions only for **HCFCs**





HS 2012 Amendments - Chapter 28

Environmental and Social

Products covered by the Rotterdam Convention (pesticides).



There is a need to track trade of pesticides

29.31 2931.0 0 Other organo-inorganic compounds . → HS 2007

29.31 Other organo-inorganic compounds .

2931.10 - Tetramethyl lead and tetraethyl lead

2931.20 - Tributyltin compounds

2931.90 - Other

→ New subdivisions
HS 2012

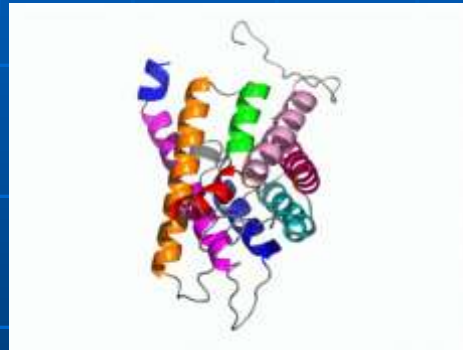


HS 2012 Amendments- Chapter 30

Clarifications and Trade Patterns

HS 2007

3002.10 - Antisera and other blood fractions and modified immunological products...



HS 2012

3002.10 - Antisera, other blood fractions and immunological products, whether or not modified or ...



HS 2012 Amendments- SIMPLIFICATION

Each review cycle has seen attempt to keep the HS up to date by eliminating item with trade below a threshold agreed to by the Committee. The threshold currently stands at \$50 million for 6-digit subheadings and \$100 million for 4 digit headings

Deletion of low-trade items.

Example:

29.32 Heterocyclic compounds with oxygen hetero-atom(s) only.

* * *

2932.20 - Lactones

2932.21 -- Coumarin, methylcoumarins and ethylcoumarins

2932.29 -- Other lactones



The Harmonized System 2012

UPDATING THE HS

- To keep the system current with modern trading practices, product development and the needs of users :
 - **Harmonized System Committee**
 - **Review Sub-Committee**
 - **Scientific Sub-Committee**



The Harmonized System 2012

UPDATING THE HS

Harmonized System Committee (HSC)

- Composed of the representatives of HS Contracting Parties to the Convention (1 vote each)
- Members of the Council which are not Contracting Parties and representatives of **International Organizations** may attend the HSC as observers
- Normally two sessions in a year



The Harmonized System 2012

UPDATING THE HS

Harmonized System Committee (HSC)

Dealing with :

- **Legal Text amendments**
- Classification questions
- Explanatory Note amendments
- HS-related Council recommendations
- General questions and policy matters relating to the HS



The Harmonized System 2012

UPDATING THE HS

Harmonized System Committee (HSC)

- Amendments to the HS shall be taken by a majority of not less **than two-thirds of the votes** cast by the Members of the Committee
- Each Session of the HSC can adopt modifications to the HS. The last Committee before the end of the review cycle has to vote again all the modifications.



The Harmonized System 2012

UPDATING THE HS

Harmonized System Review Sub- Committee (RSC)

FUNCTIONS :

- It shall normally hold two sessions per year; Same composition as the HSC
- **Function :** To pursue **a review of the HS** and to propose to the Committee such amendments, considering the needs of users and to changes in technology or in patterns of international trade;



The Harmonized System 2012

UPDATING THE HS

Scientific Sub- Committee (SSC)

- It shall normally hold at least one session a year; Each Contracting Party shall have the right to be represented
- The SSC shall be an advisory body of the Council on questions involving chemical or other scientific matters. It shall seek to reach agreed views although the differing views should also be reported to the Council or Committee



The Harmonized System 2012

UPDATING THE HS : The Drafting period

The process normally starts with **contact between the international trade community and the government agencies** charged with determining trade policy in Member administrations.

Proposals are also received from **International Organizations** (e.g., UN)

At the end of the review period the **aggregated amendments** are presented to the **WCO Council** for approval.

The Harmonized System 2012

Convention

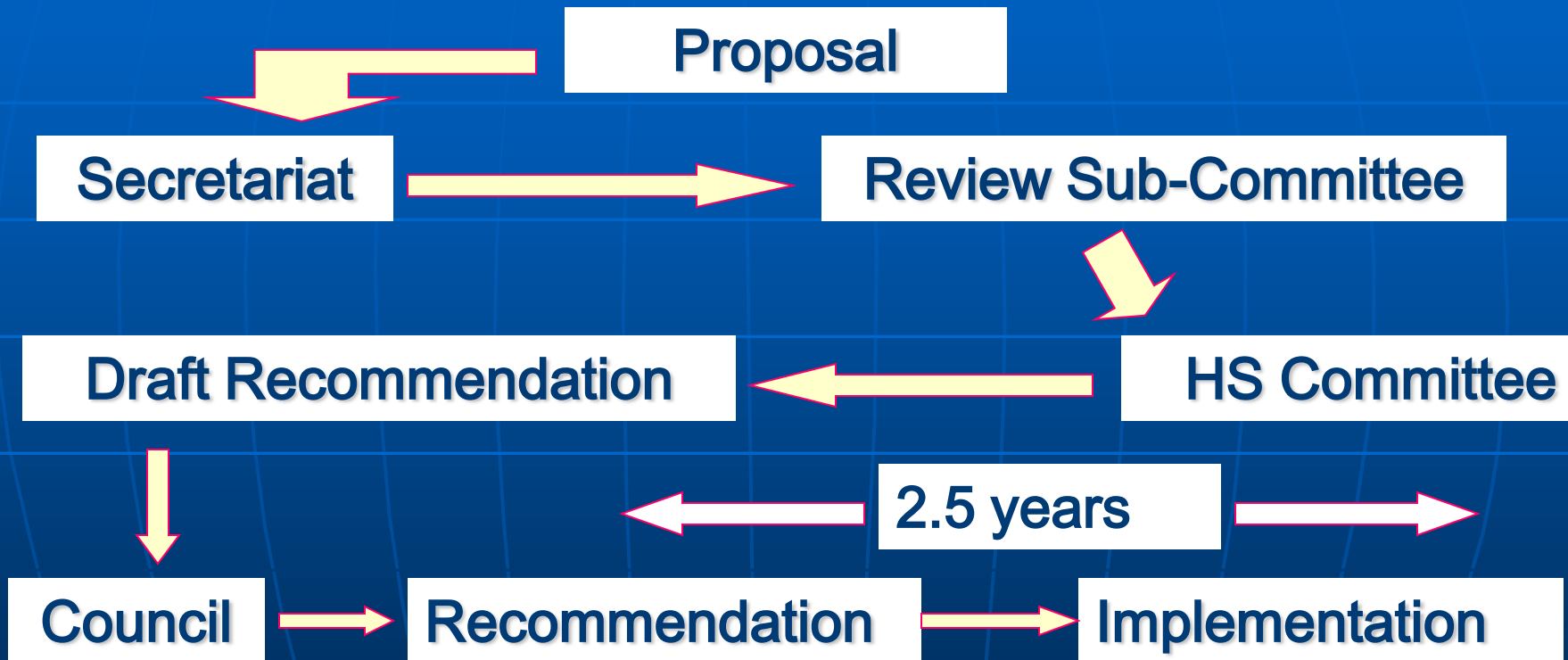
ARTICLE 16

Amendment procedure

1. The Council may recommend amendments to this Convention to the Contracting Parties.
2. Any Contracting Party may notify the Secretary General of an objection to a recommended amendment and may subsequently withdraw such objection within the period specified in paragraph 3 of this Article.
3. Any recommended amendment shall be deemed to be accepted six months after the date of its notification by the Secretary General provided that there is no objection outstanding at the end of this period.
4. Accepted amendments shall enter into force for all Contracting Parties on one of the following dates :
 - (a) where the recommended amendment is notified before 1 April, the date shall be the first of January of the second year following the date of such notification,
 - or
 - (b) where the recommended amendment is notified on or after 1 April, the date shall be the first of January of the third year following the date of such notification.
5. The statistical nomenclatures of each Contracting Party and its Customs tariff nomenclature or, in the case provided for under paragraph 1 (c) of Article 3, its combined tariff/statistical nomenclature, shall be brought into conformity with the amended Harmonized System on the date specified in paragraph 4 of this Article.
6. Any State or Customs or Economic Union signing without reservation of ratification, ratifying or acceding to this Convention shall be deemed to have accepted any amendments thereto which, at the date when it becomes a Contracting Party, have entered into force or have been accepted under the provisions of paragraph 3 of this Article.

The Harmonized System 2012

UPDATING THE HS





The Harmonized System 2012

UPDATING THE HS

The HS Convention provides for what is, in effect, a two and one-half year implementation period for amendments to the Harmonized System. At first sight this appears to be an extraordinarily long period of time but **one-half year is allotted for the entry of reservations by Contracting Parties to the amending recommendation**





The Harmonized System 2012

UPDATING THE HS

The remaining two years are set aside for:

- Updating and re-publication of all HS publications (Nomenclature, Explanatory Notes, Classification Opinions, Alphabetical Index, Correlation Tables, Commodity Database, etc)
- Updating of the WCO Web site
- Translation of the texts into third languages
- Legislative process and miscellaneous updates in Member administrations
- Training of Customs, other affected government agencies and the trade.
- Other international institutions can be affected (UN statics, WTO negotiations..)



The Harmonized System 2012

UPDATING THE HS : The analysis period

The proposal is forwarded to the WCO and considered by the (RSC). If the proposal is a simple one, the Sub-Committee may accept it upon its first review. **More commonly, however, proposals are subjected to an initial review by the Sub-Committee and held over for further consideration at a subsequent meeting to resolve questions.**



The Harmonized System 2012

UPDATING THE HS : Biodiesel as example

In April 2006, the Secretariat received a proposal from Brazil for the amendment of the Nomenclature to provide for **BIODIESEL**

The Review Sub-Committee (RSC) at its 34th, 35th and 36th Sessions (**October 2006, April 2007, November 2007**) discussed possible amendments of the Nomenclature to provide for **BIODIESEL**.

In April 2008, the Secretariat received an alternative proposal from Japan regarding the amendments of the Nomenclature to provide for **BIODIESEL**

The Review Sub-Committee (RSC) at its 37th Session (**April 2008**) discussed possible amendments of the Nomenclature to provide for **BIODIESEL**.



The Harmonized System 2012

UPDATING THE HS : Biodiesel as example

The RSC, at its 38th Session (November 2008), felt that it needed the advice of the Scientific Sub-Committee (SSC) regarding the concept “long chain fatty acids” to be inserted in a possible amendment of the Nomenclature to provide for BIODIESEL

The SSC, at its 24th Session (January 2009) discussed the technical question asked by the RSC and offered its advice on the matter.

The Harmonized System Committee, at its 43rd Session (March 2009) adopted the amendments of the Nomenclature to provide for BIODIESEL on the basis of the comments by the RSC and the SSC.

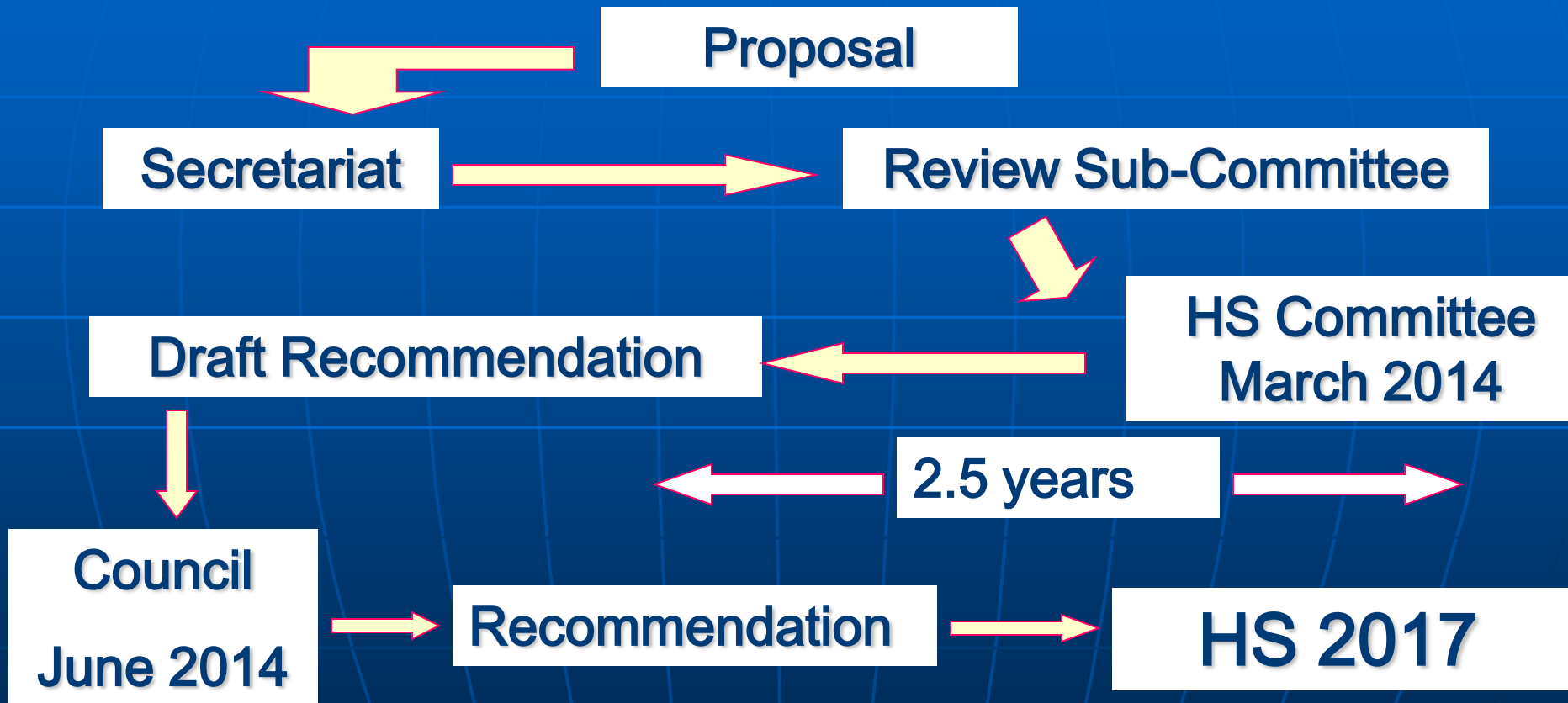
In June 2009, the Council adopted the amendments to the Nomenclature (including the BIODIESEL)

As from 1st JANUARY 2012 the HARMONIZED SYSTEM HS 2012 got into force.



The Harmonized System 2012

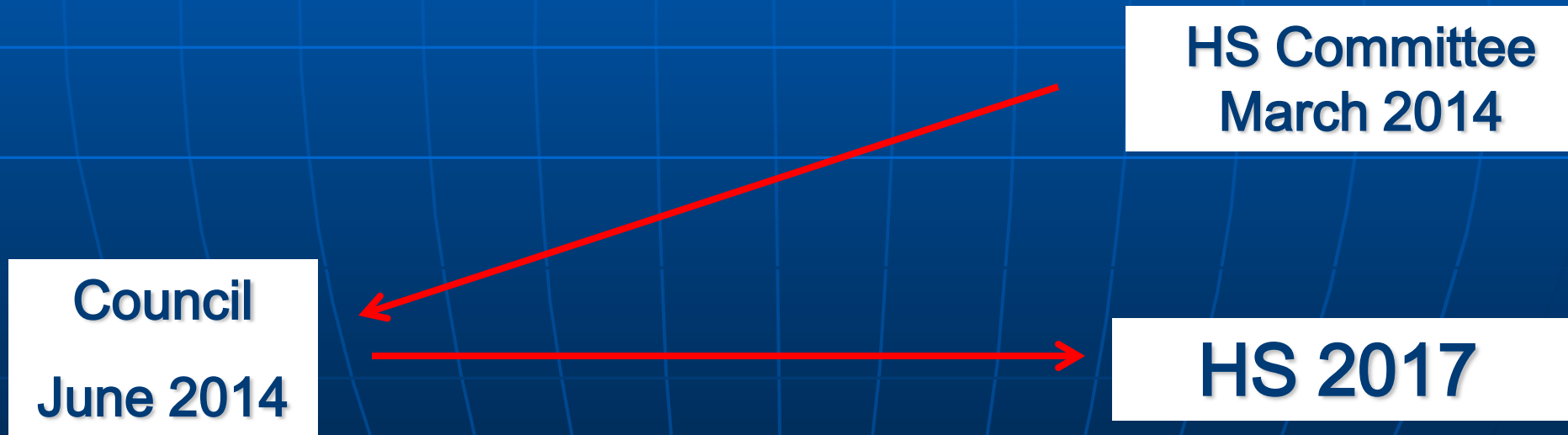
UPDATING THE HS : WHAT'S NEXT?





The Harmonized System 2012

UPDATING THE HS : WHAT'S NEXT?





HS 2017 Amendments

Amendments to the Nomenclature (Request by the Organization for the Prohibition of Chemical Weapons, OPCW)

On 23 April 2010, the OPCW formally requested that subheadings for the 33 (thirty-three) most traded scheduled chemicals be included in the 2017 amendments to the Harmonized System (HS).

Effective controls and the ability to monitor transfers in scheduled chemicals can only be achieved if scheduled chemicals being traded are identified by Customs.

CHAPTER 28.

Subheadings 2811.11 to 2811.19.

Delete and substitute :

" - Other inorganic acids :

2811.11 -- Hydrogen fluoride (hydrofluoric acid)

2811.12 -- Hydrogen cyanide (hydrocyanic acid)

2811.19 -- Other".

Subheading 2812.10.

Delete and substitute :

" - Chlorides and chloride oxides :

2812.11 -- Carbonyl dichloride (phosgene)

2812.12 -- Phosphorus oxychloride

2812.13 -- Phosphorus trichloride

2812.14 -- Phosphorus pentachloride

2812.15 -- Sulphur monochloride

2812.16 -- Sulphur dichloride

2812.17 -- Thionyl chloride

2812.19 -- Other".

Heading 28.53.

Delete and substitute :

"28.53 Other inorganic compounds (including distilled or conductivity water and water of similar purity); liquid air (whether or not rare gases have been removed); compressed air; amalgams, other than amalgams of precious metals.

2853.10 - Cyanogen chloride (chlorcyan)

2853.90 - Other".



CHAPTER 29.

Subheading 2904.90.

Delete and substitute :

" - Other :

2904.91 -- Trichloronitromethane (chloropicrin)

2904.99 -- Other".

New subheading 2918.17.

Insert the following new subheading :

"2918.17 -- 2,2-Diphenyl-2-hydroxyacetic acid (benzilic acid)"

New subheadings 2920.21 to 2920.29.

Insert the following new subheadings :

" - Phosphite esters and their salts; their halogenated, sulphonated, nitrated or nitrosated derivatives :

2920.21 -- Dimethyl phosphite

2920.22 -- Diethyl phosphite

2920.23 -- Trimethyl phosphite

2920.24 -- Triethyl phosphite

2920.29 -- Other".

Subheadings 2921.11 to 2921.19.

Delete and substitute :

" - Acyclic monoamines and their derivatives; salts thereof :

2921.11 -- Methylamine, di- or trimethylamine and their salts

2921.12 -- 2-(N,N-Dimethylamino)ethylchloride hydrochloride

2921.13 -- 2-(N,N-Diethylamino)ethylchloride hydrochloride

2921.14 -- 2-(N,N-Diisopropylamino)ethylchloride hydrochloride

2921.19 -- Other".

Subheadings 2922.11 to 2922.19.

Delete and substitute :

" - Amino-alcohols, other than those containing more than one kind of oxygen function, their ethers and esters; salts thereof :

2922.11 -- Monoethanolamine and its salts

2922.12 -- Diethanolamine and its salts

2922.14 -- Dextropropoxyphene (INN) and its salts

2922.15 -- Triethanolamine

2922.16 -- Salts of triethanolamine

2922.17 -- Methyldiethanolamine and ethyldiethanolamine

2922.18 -- 2-(N,N-Diisopropylamino)ethanol

2922.19 -- Other".

New subheadings 2930.60 and 2930.70.

Insert the following new subheadings :

"2930.60 - 2-(N,N-Diethylamino)ethanethiol

2930.70 - Bis(2-hydroxyethyl)sulfide (thiodiglycol (INN))".

New subheadings 2931.31 to 2931.39.

Insert the following new subheadings :

" - Other organo-phosphorous derivatives :

2931.31 -- Dimethyl methylphosphonate

2931.32 -- Dimethyl propylphosphonate

2931.33 -- Diethyl ethylphosphonate

2931.34 -- Sodium 3-(trihydroxysilyl)propyl methylphosphonate

2931.35 -- 2,4,6-Tripropyl-1,3,5,2,4,6-trioxatriphosphinane 2,4,6-trioxide

2931.36 -- (5-Ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphinan-5-yl)methyl methyl methylphosphonate

2931.37 -- Bis[(5-ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphinan-5-yl)methyl] methylphosphonate



2931.38 -- Salt of methylphosphonic acid and (aminoiminomethyl)urea (1 : 1)

2931.39 -- Other".

CHAPTER 38.

Subheading 3824.90.

Delete and substitute :

" - Other :

3824.91 -- Mixtures and preparations consisting mainly of (5-ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphinan-5-yl)methyl methyl methylphosphonate and bis[(5-ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphinan-5-yl)methyl] methylphosphonate

3824.99 -- Other".





HS 2017 Amendments

AMENDMENTS TO THE HS IN RESPECT OF CERTAIN PERSISTENT ORGANIC POLLUTANTS (REQUEST BY THE SECRETARIAT OF THE STOCKHOLM CONVENTION)

On 27 May 2010, the Secretariat received a letter from the Stockholm Convention (SC) Secretariat (United Nations Environmental Program) on Persistent Organic Pollutants (POPs).



POPs are toxic organic compounds that resist degradation and accumulate in the food-chain. They can be transported over long distances in the atmosphere, resulting in widespread distribution across the earth.

CHAPTER 29.

New subheading 2903.83.

Insert the following new subheading :

"2903.83 -- Mirex (ISO)".

Subheadings 2903.91 to 2903.99.

Delete and substitute :

" - Halogenated derivatives of aromatic hydrocarbons :

2903.91 -- Chlorobenzene, *o*-dichlorobenzene and *p*-dichlorobenzene

2903.92 -- Hexachlorobenzene (ISO) and DDT (ISO) (clofenotane (INN), 1,1,1-trichloro-2,2-bis(*p*-chlorophenyl)ethane)

2903.93 -- Pentachlorobenzene (ISO)

2903.94 -- Hexabromobiphenyls

2903.99 -- Other".

New subheading 2904.30.

Insert the following new subheading :

"2904.30 - Perfluorooctane sulfonic acid, its salts and perfluorooctane sulfonyl fluoride".

Subheading 2909.30.

Delete and substitute :

" - Aromatic ethers and their halogenated, sulphonated, nitrated or nitrosated derivatives :

2909.31 -- Tetra-, penta-, hexa- and heptabromodiphenyl ethers

2909.39 -- Other".

New subheading 2910.50.

Insert the following new subheading :

"2910.50 - Endrin (ISO)".



Subheading 2914.70.

Delete and substitute :

" - Halogenated, sulphonated, nitrated or nitrosated derivatives :

2914.71 -- Chlordecone (ISO)

2914.79 -- Other".

New subheading 2920.20.

Insert the following new subheading :

"2920.20 - Endosulfan (ISO)".

CHAPTER 38.

New Subheading Note 2.

1. Insert the following new Subheading Note 2 :

"2. - Subheadings 3824.81 to 3824.88 cover only mixtures and preparations containing one or more of the following substances : oxirane (ethylene oxide), polybrominated biphenyls (PBBs), polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs), tris(2,3-dibromopropyl) phosphate, aldrin (ISO), camphechlor (ISO) (toxaphene), chlordane (ISO), chlordecone (ISO), DDT (ISO) (clofenotane (INN), 1,1,1-trichloro-2,2-bis(p-chlorophenyl)ethane), dieldrin (ISO, INN), endosulfan (ISO), endrin (ISO), heptachlor (ISO), mirex (ISO), 1,2,3,4,5,6-hexachlorocyclohexane (HCH (ISO)), including lindane (ISO, INN), pentachlorobenzene (ISO), hexachlorobenzene (ISO), perfluorooctane sulfonic acid, its salts or perfluorooctane sulfonyl fluoride, tetra-, penta-, hexa- or heptabromodiphenyl ethers. "

2. Renumber present Subheading Note 2 with Note 3.

Subheadings 3824.8 to 3824.83.

Delete and substitute :

" - Goods specified in Subheading Note 2 to this Chapter :

3824.81 -- Containing oxirane (ethylene oxide)

3824.82 -- Containing polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs)

3824.83 -- Containing tris(2,3-dibromopropyl) phosphate

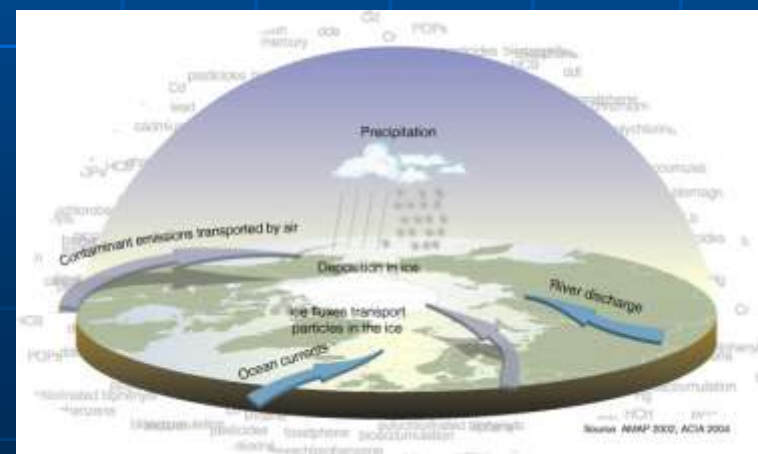
3824.84 -- Containing aldrin (ISO), camphechlor (ISO) (toxaphene), chlordane (ISO), chlordecone (ISO), DDT (ISO) (clofenotane (INN), 1,1,1-trichloro-2,2-bis(p-chlorophenyl)ethane), dieldrin (ISO, INN), endosulfan (ISO), endrin (ISO), heptachlor (ISO) or mirex (ISO)

3824.85 -- Contenant du 1,2,3,4,5,6-hexachlorocyclohexane (HCH (ISO)) y compris lindane (ISO, DCI)

3824.86 -- Contenant du pentachlorobenzène (ISO) ou du hexachlorobenzène (ISO)

3824.87 -- Contenant de l'acide perfluorooctano sulfonique, ses sels ou du fluorure perfluorooctano sulfonyle

3824.88 -- Contenant des éthers tétra-, penta-, hexa- ou heptabromodiphényliques".





HS 2017 Amendments

AMENDMENTS TO THE HS IN RESPECT OF CERTAIN NARCOTIC SUBSTANCES (PROPOSAL BY THE UN INTERNATIONAL NARCOTICS CONTROL BOARD)

On 4 October 2011, the Secretariat received a letter from the United Nations International Narcotics Control Board (INCB) stating that despite the control measures, traffickers continue to circumvent controls of raw ephedrine, pseudoephedrine and norephedrine by increased diversion of pharmaceutical preparations (**without specific HS codes**) containing these substances.

CHAPTER 12.

Heading 12.11.

Insert the following new subheading :

"1211.50 - Ephedra".

CHAPTER 13.

Heading 13.02.

Insert the following new subheading :

"1302.14 -- Of ephedra".

CHAPTER 30.

Subheading 3003.40.

Delete and substitute :

" - Containing alkaloids or derivatives thereof but not containing hormones, other products of heading 29.37 or antibiotics :

3003.41 -- Containing ephedrine or its salts

3003.42 -- Containing pseudoephedrine (INN) or its salts

3003.43 -- Containing norephedrine or its salts

3003.49 -- Other".

Subheading 3004.40.

Delete and substitute :

" - Containing alkaloids or derivatives thereof but not containing hormones, other products of heading 29.37 or antibiotics :

3004.41 -- Containing ephedrine or its salts

3004.42 -- Containing pseudoephedrine (INN) or its salts

3004.43 -- Containing norephedrine or its salts

3004.49 -- Other".



HS 2017 Amendments

AMENDMENTS TO THE HS IN RESPECT OF NEW CHEMICALS LISTED IN ANNEX III TO THE ROTTERDAM CONVENTION (REQUEST BY THE ROTTERDAM CONVENTION SECRETARIAT - RC)

On 29 September 2011, the Secretariat received a note from the RC Secretariat concerning a new proposal for assigning separate HS codes, for the Fifth Review Cycle, to several compounds included in Annex III of the RC (pesticides).

Paragraph 1 of article 13 of RC provides that the Conference of the Parties shall encourage the WCO to assign specific HS custom codes to the individual chemicals listed in Annex III, as appropriate and that each Party shall require that, whenever a code has been assigned to such a chemical the shipping document for that chemical bears the code when exported.

CHAPTER 29.

Heading 29.24.

Insert the following new subheading 2924.25 :

"2924.25 - - Alachlor (ISO)"

Heading 29.30.

Insert the following new subheading 2930.60 :

"2930.60 - Aldicarb (ISO)"

CHAPTER 38.

Subheading Note 1.

Delete and substitute :

"1. – Subheading 3808.50 covers ~~only goods of heading 38.08~~, containing one or more of the following substances: **alachlor (ISO); aldicarb (ISO)**; aldrin (ISO); binapacryl (ISO); camphechlor (ISO) (toxaphene); captafol (ISO); chlordane (ISO); chlordimeform (ISO); chlorobenzilate (ISO); DDT (ISO) (clofenotane (INN), 1,1,1-trichloro-2,2-bis(*p*-chlorophenyl)ethane); dieldrin (ISO, INN); ~~4,6-dinitro-*o*-cresol (DNOC (ISO))~~ or its salts; dinoseb (ISO), its salts or its esters; **endosulfan (ISO)**; ethylene dibromide (ISO) (1,2-dibromoethane); ethylene dichloride (ISO) (1,2-dichloroethane); fluoroacetamide (ISO); heptachlor (ISO); hexachlorobenzene (ISO); 1,2,3,4,5,6-hexachlorocyclohexane (HCH (ISO)), including lindane (ISO, INN); mercury compounds; methamidophos (ISO); monocrotophos (ISO); oxirane (ethylene oxide); parathion (ISO); parathion-methyl (ISO) (methyl-parathion); pentachlorophenol (ISO), its salts or its esters; phosphamidon (ISO); 2,4,5-T (ISO) (2,4,5-trichlorophenoxyacetic acid), its salts or its esters; tributyltin compounds.

Subheading 3808.50 also covers dustable powder formulations containing a mixture of benomyl (ISO), carbofuran (ISO) and thiram (ISO)."



HS 2017 Amendments

New HS codes?



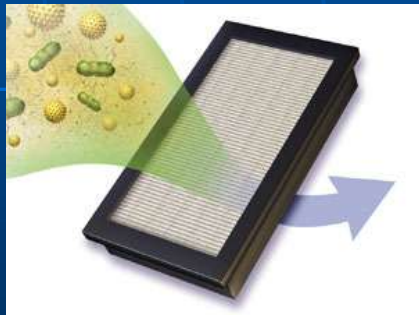
Plastic fermenters



Shaking incubators



Spray drying equipment



HEPA Filters



Automatic Peptide synthesizer



Biological Safety Cabinets

HS 2017 Amendments

New HS codes?

84.21		Centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases.
		-Centrifuges, including centrifugal dryers :
8421.11	--	Cream separators
8421.12	--	Clothes-dryers
8421.19	--	Other
		-Filtering or purifying machinery and apparatus for liquids :
8421.21	--	For filtering or purifying water
8421.22	--	For filtering or purifying beverages other than water
8421.23	--	Oil or petrol-filters for internal combustion engines
8421.29	--	Other
		-Filtering or purifying machinery and apparatus for gases :
8421.31	--	Intake air filters for internal combustion engines
8421.39	--	Other
		-Parts :
8421.91	--	Of centrifuges, including centrifugal dryers
8421.99	--	Other

84.24		Mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers, whether or not charged; spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines.
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84.19		Machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of heading 85.14), for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling, other than machinery or plant of a kind used for domestic purposes; instantaneous or storage water heaters, non-electric.
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85.43		Electrical machines and apparatus, having individual functions, not specified or included elsewhere in this Chapter.
8543.10	-	Particle accelerators
8543.20	-	Signal generators
8543.30	-	Machines and apparatus for electroplating, electrolysis or electrophoresis
8543.70	-	Other machines and apparatus
8543.90	-	Parts

84.17

		Industrial or laboratory furnaces and ovens, including incinerators, non-electric.
8417.10	-	Furnaces and ovens for the roasting, melting or other heat-treatment of ores, pyrites or of metals
8417.20	-	Bakery ovens, including biscuit ovens
8417.80	-	Other
8417.90	-	Parts



The Harmonized System 2012

UPDATING THE HS : WHAT'S NEXT?

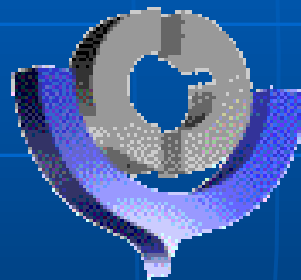
**NEW PROPOSALS FOR THE AMENDMENT
OF THE HS ARE WELCOME!!!**

HS 2017



THANK YOU FOR YOUR ATTENTION

ANY QUESTIONS ?



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WCO Recommendations concerning the HS

1. Recommendation (20 JUNE 1995)

RECOMMENDATION ON THE INSERTION IN NATIONAL STATISTICAL NOMENCLATURES OF SUBHEADINGS TO FACILITATE THE COLLECTION AND COMPARISON OF DATA ON THE INTERNATIONAL MOVEMENT OF SUBSTANCES CONTROLLED BY VIRTUE OF THE AMENDMENTS TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER

Example :

2903.19 covers "other" halogenated derivatives of hydroc

Recommendation :

**Subheading 2903.19 of the Harmonized System
- - - 1,1,1-Trichloroethane (methyl chloroform)**





WCO Recommendations concerning the HS

2. Recommendation (18 JUNE 1996)

RECOMMENDATION ON THE INSERTION IN NATIONAL STATISTICAL NOMENCLATURES OF SUBHEADINGS FOR SUBSTANCES CONTROLLED UNDER THE CONVENTION ON THE PROHIBITION OF THE DEVELOPMENT, PRODUCTION, STOCKPILING AND USE OF CHEMICAL WEAPONS AND ON THEIR DESTRUCTION

Example :
2811.19 covers "other" inorganic acids

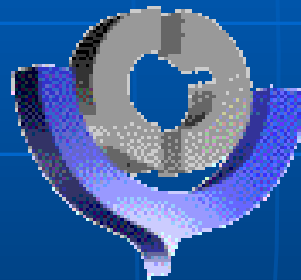
Recommendation :
Subheading 2811.19
- - - Hydrogen cyanide





THANK YOU FOR YOUR ATTENTION

ANY QUESTIONS ?



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