



VANUATU
CUSTOMS & INLAND REVENUE
DEPARTMENT

Changes from HS 2012 to HS 2017 – *International Level (6 Digit Level)*

Presentation by:

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- Outline:

- Background
- Changes to HS 2017
- Reasons for Major Changes in HS 2017
- Tools to Use to check HS Code Changes from HS 2012 to HS 2017



- **Background:**

- What is the Harmonized Commodity Description and Coding System (“Harmonized System” or “HS”):
 - A multipurpose international product nomenclature developed by the World Customs Organisation (WCO).
- Why is it Important?
 - Used to standardize classification of goods within countries and across borders
 - Used by countries to implement taxation systems
 - Ensure availability of statistically data for national and international uses
 - Simplify customs procedures
 - Essential tool for trade



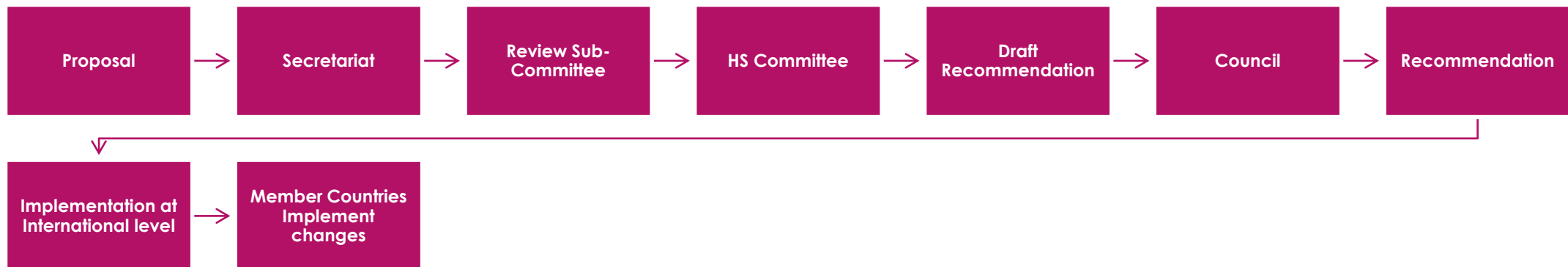
- **Background:**

- HS is governed by “The International Convention on the Harmonized Commodity Description and Coding System”
- Maintenance of the HS is a WCO priority. Maintenance and changes are necessary for HS in order to:
 - keep up to date with changes in technology
 - keep up to date with changes in the patterns and norms of international trade
 - Simplifications and clarification of texts
 - Environmental/Social/Economic Issues that require data collection to monitor and control trades of certain goods.



Who does the changes to HS?

- WCO manages process of HS changes through the Harmonized System Committee (who represent the Contracting Parties to the HS Convention), which examines policy matters, takes decisions on classification questions, settles disputes and prepares amendments to the Explanatory Notes. The HS Committee also prepares amendments updating the HS every 5-6 years.





- Changes to HS 2017:

- Changes effective as of 1 January 2017.

- Summary

- 233 Sets of amendments at the International Level. These changes are broken down into sections as follows:

- 85 Agriculture
- 45 Chemical Sector
- 13 Wood Sector
- 15 Textile Sector
- 6 Base Metal Sector
- 25 Machinery Sector
- 18 Transport Sector
- 26 Other Sectors

Total : 233							
Chapter 1 :	4	Chapter 28 :	5	Chapter 54 :	4	Section XVI :	2
Chapter 2 :	4	Chapter 29 :	25	Chapter 55 :	2	Chapter 84 :	24
Chapter 3 :	58	Chapter 30 :	4	Chapter 56 :	2	Chapter 85 :	9
Chapter 4 :	2	Chapter 31 :	1	Chapter 57 :	2	<u>Section XVI, total :</u>	<u>35</u>
Chapter 5 :	1	Chapter 37 :	1	Chapter 59 :	1	Section XVII :	1
<u>Section I, total :</u>	<u>69</u>	Chapter 38 :	7	Chapter 60 :	2	Chapter 87 :	7
		<u>Section VI, total :</u>	<u>43</u>	Chapter 63 :	2	<u>Section XVII, total :</u>	<u>8</u>
Chapter 7 :	1			<u>Section XI, total :</u>	<u>15</u>	Chapter 90 :	3
Chapter 8 :	1	Chapter 39 :	5	Chapter 68 :	1	Chapter 92 :	1
Chapter 9 :	1	Chapter 40 :	1	Chapter 69 :	2	<u>Section XVIII, total :</u>	<u>4</u>
Chapter 12 :	2	<u>Section VII, total :</u>	<u>6</u>	<u>Section XIII, total :</u>	<u>3</u>	Chapter 94 :	5
Chapter 13 :	1	Chapter 42 :	3	Section XV :	1	Chapter 95 :	2
<u>Section II, total :</u>	<u>6</u>	<u>Section VIII, total :</u>	<u>3</u>	Chapter 73 :	2	Chapter 96 :	1
Chapter 16 :	3	Chapter 44 :	13	Chapter 74 :	1	<u>Section XX, total :</u>	<u>8</u>
Chapter 19 :	1	<u>Section IX, total :</u>	<u>14</u>	Chapter 82 :	1		
Chapter 20 :	2	Chapter 48 :	2	Chapter 83 :	1		
Chapter 21 :	1	<u>Section X, total :</u>	<u>2</u>	<u>Section XV, total :</u>	<u>6</u>		
Chapter 22 :	3						
<u>Section IV, total :</u>	<u>10</u>						
Chapter 27 :	2						
<u>Section V, total :</u>	<u>2</u>						



Reasons for Major Changes to HS 2017:

Food and Agricultural Organisation of the United Nations on the following:

- Agriculture:
 - 0805.21 – new – mandarins
 - 0805.22 – new – clementine
 - 1211 – inclusion of chilled and frozen products
- Forestry products:
 - Subheading Note 2 to Chapter 44 – Deletion – due to expansion of the scope of the expression ‘tropical wood’.
 - Subheading Note 2 to Chapter 44 – Delete – expansion of the scope of the expression ‘tropical wood’
 - 4407.96 and 4407.97 – New- created for wood of birch, poplar and aspen



Food and Agricultural Organisation of the United Nations on the following (continue.):

- Fertilizers
- Agricultural machinery

International Narcotics Control Board (INCB):

- 1211.50 – new – control of ephedra (narcotic/pyschotropic substance)
- 1302.14 – new - control of ephedra (narcotic/pyschotropic substance)
- 2926.40 – new – control of alpha-phenylacetonitrile (also known as "APAAN")
- 3003.40 – Subdivided to create:
 - 3003.41, 3003.42 & 3003.43 – new – Monitor and control of pharmaceutical preparations containing ephedrine, pseudiephedrine or norephedrine, or salts thereof



Substances controlled under Chemical Weapons Convention 'CWC' (Organisation for the Prohibition of Chemical Weapons 'OPCW'):

- 2811.12 – New – for Monitoring and control of hydrogen cyanide
- 2812.10 – expanded – 2812.11, 2812.12, 2812.13, 2812.14, 2812.15, 2812.16, 2812.17, 2812.19 for certain chlorides of non-metals to monitor and analysis data
- 2853.10 – New – for monitoring and control on cyanogen chloride (chlorcyan)
- 2904.91 – New – for monitoring and control of trichloronitronmethane (chloropicrin)
- 2918.17 – New – monitoring and control of 2,2-diphenyl-2-hydroxyacetic acid (benzylic acid)
- 2920.21 to 2920.29 – New – monitoring and control of dimethyl phosphite, diethyl phosphite, trimethyl phosphite and triethyl phosphite
- 2921.12 to 2921.14 – New – monitoring and control of 2-(N,N-Dimethylamino)ethylchloride hydro-chloride, 2-(N,N-Diethylamino)ethylchloride hydrochloride and 2-(N,N-Diisopropylamino)ethylchloride hydrochloride
- 2922.15 to 2922.18 – New – monitoring and control of triethanolamine, diethanolammonium perfluorooctane sulphonate, methyldiethanolamine and ethyldiethanolamine, and 2-(N,N-diisopropylamino)ethanol



Substances controlled under the Rotterdam Convention (Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade 'PIC'):

- 2904.31 to 2904.36 – New – Monitoring and control of perfluorooctanesulfonic acid (PFOS), its salts
- 2920.30 - New – Monitoring and control of Endosulfan (ISO)
- 2923.30& 2923.40 – New – Monitor and control of tetraethylammonium perfluorooctane sulphonate and didecyldimethylammonium perfluorooctane sulphonate
- 2924.25 – New – Monitor and control of Alachlor (ISO)
- 2930.80 – New – Monitor and control of Aldicarb (ISO), Captafol (ISO) and Methamidophos (ISO)
 - Deletion – 2930.50 – moved to above new heading
- 2933.92 – New – Monitor and control of Azinphos-methyl (ISO)
- 2935 – Subdivided – Monitor and control of sulphonamides



Substances controlled under Stockholm Convention (Persistent Organic Pollutants POPs):

- 2903.83 – New – Monitoring and control of Mirex (ISO), a chlorinated hydrocarbon.
- 2903.93 & 2903.94 – New – Monitoring and control of pentachlorobenzene (ISO) and hexabromobiphenyls
- 2904.31 to 2904.36 – New – Monitoring and control of perfluorooctanesulfonic acid (PFOS), its salts
- 2910.50 – New – Monitoring and control of Endrin (ISO)
- 2914.62 – New – Monitoring and control of coenzyme Q10 (ubidecarenone (INN))
- 2914.71 & 2914.79 – subdivision – Monitoring and control of Chlordecone (ISO)
- 2920.30 - New – Monitoring and control of Endosulfan (ISO)



- Trade – Change in trade patterns, trade statistics, simplifications and corrections:
 - 2202.91 and 2202.99 – New – for non-alcoholic beer
 - 2204.22 – New – wines in containers holdings more than 2l not more than 10l
 - 2853 – expansion – to accommodate goods of 28.48 which has been deleted due to low volume of trade
 - 29.39 – expansion – to include other alkaloids obtained, for example, from animal origin
 - 2939.80 – New – covers all the alkaloids of non-vegetal origin
 - 2939.91 and 2939.92 – renumbered for the creation of above new code
 - Expansion of 29.39 involves entails the transfer of certain products covered by other headings of the Nomenclature eg. Heading 29.33, heading 29.34 to 2939.80.
 - 3103.10 – Subdivided:
 - 3103.11 – new – for superphosphates, containing by weight 35% or more of diphosphorus pentaoxide (P₂O₅)
 - 3705.10 and 3705.90 – deleted – low volume of trade



Trade – Change in trade patterns, trade statistics, simplifications and corrections (continued):

- 4401.10 – Subdivided to provide separately for coniferous and non-coniferous fuel wood, due to high volume of international trade.
- 4401.39 & 4401.40 – Separated - Sawdust and wood waste and scrap have been separated into two major groups of products: agglomerated (pellets, briquettes, logs, etc.) and not agglomerated.
- 4403.10 – subdivided – Coniferous and non-coniferous, due to the high volume of global international trade.
- 4403.93 to 4403.98 –new- to divide by species and size, due to high volume of global international trade.
- 4406.10 and 4406.90 – subdivided into coniferous and non-coniferous, due to high volume of international trade.
- 4407.11 and 4407.12 have been created to provide separately for wood of pine and fir and spruce.
- Subheading Note 2 to Chapter 44 – Delete – expansion of the scope of the expression ‘tropical wood’
 - 4407.96 and 4407.97 – New- created for wood of birch, poplar and aspen



- Antimalaria Pharmaceuticals:

- 3002.10 – Subdivided to create:
 - 3002.11 - new - malaria diagnostic test kits
 - 3002.12 to 3002.15 – immunological products, whether unmixed, mixed or put up in measured doses or in forms of packings for retail sale. This has been defined in new Subheading Note 1 to Chapter 30.
- 3003.40 – Subdivided to create:
 - 3003.41, 3003.42 & 3003.43 – new – Monitor and control of pharmaceutical preparations containing ephedrine, pseudiephedrine or norephedrine, or salts thereof
 - 3003.60 – new – antimalarial medicaments. Scope of new subheading has been defined in new Subheading Note 2 to Chapter 30.



- **Tools to Use to check HS Code Changes from HS 2012 to HS 2017**
- Amendments effective from 1 January 2017 - A Summary of the changes
- Amendments to the Nomenclature:
 - WCO Council Recommendation of 27 June 2014
 - WCO Council Recommendation of 11 June 2015 – to be effective as of 01 Jan 2018, however can be implemented as of
- Use of Correlation Tables:
 - Introduction:
 - Explains these tables as summaries and not legal documents
 - Table I
 - Shows correlation between tables and makes remarks on changes on the far left column.



- Tools to Use to check HS Code Changes from HS 2012 to HS 2017
 - Table I – Annex
 - Table II
 - Table II – Annex
- <http://www.wcoomd.org> - World Customs Organisation website



Stats

National splits	115 (181 national splits - 66 codes already accounted on WCO)
Concessions	17 (chapters 98 & 99)
<u>WCO 6 digit</u>	<u>5,386</u>
Total	5,518



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Comments & Questions

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