

SACU MEMBER STATES HAVE SUCCESSFULLY MIGRATED FROM HARMONISED SYSTEM (HS) 2017 TO HS 2022

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PRESS RELEASE

- 1. On the 1st January 2022, all SACU Member States simultaneously implemented the 2022 version of the Harmonised System (HS) Nomenclature in the context of the SACU Common External Tariff (CET), which has replaced the HS 2017 version. This is the first time that SACU Member States migrated the CET to a new version of the HS in a well-coordinated manner across the Customs Union, with the support of the SACU Secretariat. The migration was also made possible by the technical support from the World Customs Organisation (WCO) under a Programme known as the HS-Africa Programme, funded by the European Union (EU).
- 2. The HS 2022 version reflects the amendments to the HS Nomenclature as adopted by the WCO Council (on the 28th June 2019 and 25th June 2020) and accepted by HS Contracting Parties in accordance with Article 16 of the International Convention on the Harmonised Commodity Description and Coding System (HS Convention) of the WCO. SACU Member States, being Contracting Parties to this Convention, are required to align their Customs and Statistical Nomenclatures with this latest version of the HS.
- 3. The Preparation for the migration of the SACU CET from HS 2017 to HS 2022 started in 2019, with the support of the HS-Africa Programme. Under this Programme, Member States developed a Migration Framework to facilitate the transition to new versions of the HS; and established a SACU Working Group to spearhead the HS migration among other things. The Roadmap for the HS 2017 HS 2022 Migration, which was based on the Framework included: (i) preparation of draft amendments to the CET and correlation tables; (ii) consultations among the Member States at national and regional levels; (iii) legislative processes in the Member States where required; (iv) awareness-raising and publicity activities regarding the new HS version; and (v) actual implementation of the final approved amendments in the Member States' automated Customs Systems.
- 4. HS 2022 is the 7th edition of the HS and a result of a major revision of the HS since its adoption by the WCO Council in 1983, implemented in 1988. The HS 2022 includes 351 sets of amendments affecting various sectors such as agriculture, food and tobacco; chemicals; wood; textiles; base metals; machinery; and transport. The changes were necessitated by, amongst others, public health and safety requirements, inclusion of goods specifically controlled under various conventions, food security and environment protection, new products introduced as a result of progress in technology, deletion of certain products.

- 5. Typical examples of changes made in the HS 2022 version include those aimed to provide specificity for:
 - (a) Products related to Public Health and Safety e.g.
 - i. Diagnostic Test Kits
 - ii. Clinical Test Kits for Medical Research and Cell Cultures (including Cell Therapy Products)
 - (b) Products related to Protection of Society and Fight Against Terrorism e.g.
 - i. Dual Use Goods (Radioactive materials, Toxins, Biological Safe Cabinets, High-Speed Cameras, etc.)
 - ii. Electric Detonators, Ignitors, etc.
- 6. Positive feedback has so far been received from various Stakeholders including Private Sector operators in the region, as well as the WCO who pledged its continued support. The SACU Secretariat remains grateful to the European Union and the WCO for the assistance provided to SACU Member States in this regard.

More about the HS and the SACU CET

7. The HS is a multipurpose international product nomenclature developed by the WCO. It comprises more than 5,000 commodity groups; each identified by a six-digit code, arranged in a legal and logical structure and is supported by well-defined rules to achieve uniform classification. More information on the HS 2022, can be obtained from the WCO website on:

http://www.wcoomd.org/en/topics/nomenclature/instrument-and-tools/hsnomenclature-2022-edition.aspx

8. The SACU CET is a legal instrument which provides for various schedules of customs duties on imported goods, excise duties on certain goods produced in the Customs Union and similar imported goods, as well as rebates and refunds of such duties, and trade remedies. The Nomenclature used in the CET for classification and application of the duties, rebates, refunds and trade remedies, is based on the HS. However, as some of the HS six digit codes have been extended up to eight digits to cater for regional requirements, the CET comprises more than 8000 specific commodity groups referred to as "tariff lines". In addition, the Nomenclature in the CET is used for the collection of international trade statistics. The link to new SACU CET based on the HS 2022 can be obtained on the SACU Website: www.sacu.int (Click on "Common External Tariff Book" under "Quick Links").

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