



**Committee on Market Access**

**TRANSPOSITION OF MEMBERS' CTS FILES TO THE HS 2012 NOMENCLATURE:  
NOTES ON METHODOLOGY**

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## INTRODUCTION

1. This document describes the methodological guidelines that the Secretariat intends to follow for the implementation of the HS 2012 transposition. The procedural and the general technical aspects of this project were adopted by the General Council Decision of 30 November 2011 (hereafter the "HS 2012 Decision")<sup>1</sup>. Under this project, the Secretariat will assist developing country Members in preparing their submissions for the HS 2012 transposition exercise and verify the submissions provided by developed country Members and developing country Members that have prepared their own submissions.

2. This document provides a detailed description of the methodology that the Secretariat will follow in the HS 2012 transposition exercise, which is identical to the one used for the HS 2007 transposition. It builds on the experience gained from previous transpositions and includes measures proposed to improve the efficiency and quality of the work, including several simplifications of the transposition process and a standard procedure for verifying Members' submissions.

3. This document is organized in seven sections. Section 1 provides an overview of the HS 2012 amendments and a categorization of those changes. The manner in which these changes will be introduced into the WTO Schedules of concessions is further elaborated in Section 2 with detailed examples. Section 3 describes the general methodology that the Secretariat will follow in the transposition. Section 4 discusses some methodological issues that were identified in the context of the HS 2002 and HS 2007 transpositions, and concludes that certain simplifications that are in line with the general mandate might be required in order to avoid unnecessary complexity in the resulting HS 2012 schedules, as well to preserve a better link to the Members' applied nomenclatures. Section 5 follows by describing the proposed simplifications. Section 6 presents the format of the transposition file, and Section 7 describes the general procedure that will be followed by the Secretariat for verifying Members' submissions. Lastly, the Annex presents the complete HS 2012 to 2007 correlation table, including comments outlining possible simplifications.

## 1 DESCRIPTION OF HS 2012 CHANGES

1.1. The Harmonized System 2012 is the fifth major amendment of the HS since its entry into force in 1988. The 2012 revision contains 220 sets of amendments, which results in an increase of the overall number of HS subheadings from 5,052 to 5,205. The Contracting Parties to the HS Convention made these amendments in order to better reflect changes in trade patterns, technological progress, social and environmental needs, and other textual amendments and structural simplifications.

1.2. Depending on the impact of the amendments on the product coverage of one or more related subheadings, these amendments can be classified as:

- (a) *clarifying changes*, which do not alter the scope of the HS subheadings concerned, and
- (b) *structural changes*, which relate to changes that alter the product coverage of one or more HS subheadings.

1.3. Over a third of the HS 2012 amendments are clarifying changes, which normally take the form of a revision of Section/Chapter/subheading notes or description of subheadings, or a correction of typographical errors. The implementation of clarifying changes is straightforward and can be transposed by a computer program that simply replaces the old texts with the new texts as specified in the HS 2012 amendment.

1.4. Thus the transposition work will mainly focus on the remaining structural changes, which normally create or delete HS subheadings, or change the codes or descriptions of HS subheadings. In some cases structural changes could also include a revision of Section/Chapter or subheading notes, which leads to a change of product coverage in one or several of its HS subheadings.

1.5. The structural changes of HS 2012 are defined by 617 pairs of correlations in the concordance table that have been published by the Secretariat of the World Customs Organization

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<sup>1</sup> WT/L/831.

(WCO)<sup>2</sup>. Of these, 305 HS 2007 subheadings are affected by the HS 2012 transposition, of which 175 do not exist anymore in the newer version, while 130 6-digit codes were reused but the product scope was modified. Some 329 new subheadings were created in HS 2012. Depending on the relationships between HS 2007 and HS 2012 subheadings, as well as the complexity of the changes, the correlations can be categorized as:

- (1) one-to-one relationships, where one HS 2007 subheading corresponds exactly to one HS 2012 subheading,
- (2) splitting of one HS 2007 subheading into two or more HS 2012 subheadings,
- (3) merging two or more HS 2007 subheadings into one HS 2012 subheading, or
- (4) more complex cases, involving both splitting and merging of whole or part of different HS 2007 subheadings.

### 1.1 One-to-one relationships

1.6. The extract of the correlation table provided by the WCO below illustrates a one-to-one relationship. The first column on the left lists HS 2012 subheadings whose product scope were changed or have been introduced as new entries. The second column presents the corresponding HS 2007 codes, which may contain an "ex" prefix to indicate that the corresponding HS 2012 entry contains only part of the referenced subheading. Remarks by the WCO are shown in the third column and briefly specify the explanation of the change.

**Table 1: Example of a one-to-one relationship**

2012 version	2007 version	Remarks in WCO's concordance table
2008.93	ex2008.99	Creation of new subheading 2008.93 for cranberries.
<b>2008.97</b>	<b>2008.92</b>	Subheading 2008.92 has been renumbered as 2008.97.
2008.99	ex2008.99	

HS 2012	Product description	HS 2007	Product description
	- Other, including mixtures other than those of subheading 2008.19 :		- Other, including mixtures other than those of subheading 2008.19:
2008.91	-- Palm hearts	2008.91	-- Palm hearts
2008.93	-- Cranberries (Vaccinium ...)		
<b>2008.97</b>	<b>-- Mixtures</b>	<b>2008.92</b>	<b>-- Mixtures</b>
2008.99	-- Other	2008.99	-- Other

1.7. In this case, HS 2012 Subheading 2008.97 originates from only one HS 2007 subheading, which is not prefixed, and is entirely transferred to only one HS 2012 subheading. This is a one-to-one relationship where the product coverage of HS 2012 subheading 2008.97 is exactly the same as HS 2007 subheading 2008.92; i.e. a simple renumbering of the subheading is done.

1.8. Note that part of (ex) HS 2007 subheading 2008.99 (other) is assigned to HS 2012 subheading 2008.93 (cranberries) and the remaining part (ex) that is retained in code 2008.99 is redefined in the HS 2012 version. To make it clear that only "part of" a subheading is assigned to another subheading, the HS 2007 subheading is prefixed by "ex". Although HS 2012 subheading 2008.93 originates from only one HS 2007 subheading, this is not a one-to-one relationship since the corresponding HS 2007 subheading is split into more than one HS 2012 subheading.

### 1.2 Split

1.9. A split takes place when the products covered by one subheading are divided into at least two new or reused subheadings; this can be seen as a one-to-many relationship. In the example below, HS 2012 subheadings 1001.11 and 1001.19 are derived from HS 2007 subheading 1001.10 which was split to differentiate between seeds and other; the HS 2007 code is deleted as a subheading and, in this case, becomes an explanatory entry (header) in HS 2012.

<sup>2</sup> See G/MA/W/105. A correlation is a pair of codes in the correlation table which defines the relationship between subheadings in the two versions of the nomenclature. The WCO issued two corrigenda (March and July 2011); G/MA/W/105 does not include the July corrigendum (HS 2012 1001.99 and 3913.90).

**Table 2: Example of a split2012 version**

2012 version	2007 version	Remarks in WCO's concordance table
1001.11	ex1001.10	Subheadings 1001.10 and 1001.90 have been subdivided to provide separately for seeds of durum wheat and other wheat and meslin
1001.19	ex1001.10	
1001.91	ex1001.90	
1001.99	ex1001.90	

HS 2012	Product description	HS 2007	Product description
1001	Wheat and meslin	1001	Wheat and meslin
1001.1	- Durum wheat	1001.10	- Durum wheat
1001.11	-- Seed		
1001.19	-- Other		
1001.9	- Other	1001.90	- Other
1001.91	-- Seed		
1001.99	-- Other		

### 1.3 Merger

1.10. Mergers usually result from simplifications where the distinction of products is no longer maintained in the new nomenclature; in general this is due to the low volume of trade in one or more of the concerned subheadings. Since several subheadings are merged into one, it may be seen as a many-to-one relationship.

**Table 3: Example of a merge**

2012 version	2007 version	Remarks in WCO's concordance table
9109.10	9109.11 9109.19	Subheadings 9109.11 and 9109.19 have been merged into new subheading 9109.10 because of the low volume of trade

HS 2012	Product description	HS 2007	Product description
9109	Clock movements, complete and assembled	9109	Clock movements, complete and assembled
9109.10	- Electrically operated	9109.1	- Electrically operated
		9109.11	-- Of alarm clocks
		9109.19	-- Other
9109.90	- Other	9109.90	- Other

### 1.4 Complex cases

1.11. A complex case is a many-to-many relationship where both splitting and merging of whole or part of different HS 2007 subheadings into several HS 2012 subheadings occurs at the same time.

**Table 4: Example of a complex case**

2012 version	2007 version	Remarks in WCO's concordance table
0101.21	ex0101.10	Subdivision of subheading 0101.10 to provide separately for horses and asses.
0101.29	ex0101.90	
0101.30	ex0101.10	
	ex0101.90	Amendment adopted as a result of the FAO proposal to enhance the monitoring of the good global security.
0101.90	ex0101.90	

HS 2012	Product description	HS 2007	Product description
0101	Live horses, asses, mules and hinnies.	0101	Live horses, asses, mules and hinnies.
0101.2	- Horses :		
0101.21	-- Pure-bred breeding animals	0101.10	- Pure-bred breeding animals
0101.29	-- Other	0101.90	- Other
0101.30	- Asses		
0101.90	- Other		

1.12. In this case, HS 2007 subheading 0101.10 is split into two HS 2012 subheadings and HS 2007 subheading 0101.90 is split into three HS 2012 subheadings. At the same time, both part of 0101.10 and part of 0101.90 are merged into HS 2012 subheading 0101.30.

## 2 INTRODUCING HS 2012 CHANGES IN WTO SCHEDULES

2.1. When introducing HS changes into WTO schedules of concessions, paragraph 4 of the HS 2012 Decision provides the guiding principle to be observed in the transposition exercise: to the extent possible, the existing concessions (e.g. bound duties, ODCs, INRs, etc.) should be maintained unchanged. In other words, the scope of the concessions should remain unaltered in both versions of the nomenclature. Any ambiguity in the scope that could result from the introduction of an HS amendment should normally be addressed through the introduction of (new) national tariff line breakouts based on the previous version of the HS.

2.2. The types of changes discussed in section I above constitute a framework that facilitates the tracking of modifications from HS 2007 into HS 2012 and facilitate the understanding of the explanations by the WCO. One way of doing this is to look first at the HS 2007 subheading and then focus on the relevant HS 2012 subheading(s) where the specific product should be allocated. An alternative approach is to start with the HS 2012 subheading and then search for the relevant HS 2007 subheading(s) that they originate from.

2.3. In case a Member has a ceiling binding of 20 per cent for agricultural products and 10 per cent for non-agricultural product, the transposition of the Member's commitments would be relatively straight forward. It would only be necessary to classify the HS 2012 subheadings in agricultural and non-agricultural products and then reflect the concessions according to these two sectors. It would not be necessary to have a detailed description of where an HS 2007 subheading goes in the 2012 nomenclature.

2.4. In the approach proposed by the Secretariat, the transposition of Members' commitments starts with the standard HS 2012 nomenclature, which is then linked to the corresponding national tariff lines in HS 2007 via the WCO's 6-digit correlation table. The specific concessions are identified and, where relevant, breakouts are created whenever the concessions within a particular subheading are different. A correlation table describing how the HS 2012 tariff lines are linked to the national HS 2007 lines is also produced for transparency.

2.5. In the example below, HS 2012 Subheading 1001.19 originates from HS 2007 subheading 1001.10 (see Table 2 above), which is broken down into three national tariff lines. These three national tariff lines are called "candidate lines". In the WCO correlation table, the HS 2007 subheading is prefixed with an "ex" to indicate that HS 2012 subheading 1001.19 originates from only part of the products covered by HS 2007 subheading 1001.10. To identify which of the three national tariff lines should be assigned to the HS 2012 subheading, a comparison of the product scope in both versions of the HS needs to be undertaken on a case-by-case basis; i.e. a manual correlation – as opposed to automatic – has to be carried out.<sup>3</sup>

<sup>3</sup> It may also happen that only parts of national tariff lines are relevant for the new HS 2012 subheading.

**Case 1.a: All candidate lines with identical level of commitments**

HS 2012	Product description	HS 2007	Product description	Duty	INR
1001.1	- Durum wheat	1001.10	- Durum wheat		
1001.11	-- Seed	1001.1010	-- For animal feed	5	A
		1001.1020	-- For sowing	5	A
		1001.1090	-- Other	5	A
1001.19	-- Other	1001.1010	-- For animal feed	5	A
		1001.1020	-- For sowing	5	A
		1001.1090	-- Other	5	A

2.6. The comparison of product descriptions in both versions shows that HS 2012 subheading 1001.19 originates from two national tariff lines (1001.1010 and 1001.1090), which means that the remaining third candidate line should be discarded. However, in this specific situation, the commitments contained on each of the national tariff lines are identical for all three candidate lines. Consequently, whether only two or all candidate lines are retained, the duty level that would correspond for HS 2012 subheading 1001.19 is 5 per cent with an INR for Member "A". Hence, whenever the concessions are identical for all candidate lines the exact identification of national tariff lines that have to be retained is not necessary and the transposition can be done through an automatic program without recurring to a manual transposition. The corresponding correlation that will be created by the program, which is used for tracking purposes, would not be entirely correct for the precise allocation of products between both nomenclatures, but this will have no impact on the Member's commitments in the new version of the HS.

**Case 1.b: All candidate lines with identical level of commitments, transposition to HS 2012**

HS 2012	Duty	INR	HS 2007	Duty	INR
1001.1			1001.10		
1001.1100	5	A	1001.1010	5	A
			1001.1020	5	A
			1001.1090	5	A
1001.1900	5	A	1001.1010	5	A
			1001.1020	5	A
			1001.1090	5	A

2.7. The situation is different when the concessions for the candidate lines within a subheading are different; candidate lines for deletion have to be identified and breakouts in HS 2012 have to be created to reflect the different levels of such concessions.

**Case 1.c: Candidate lines with different level of commitments**

HS 2012	Duty	INR	HS 2007	Duty	INR
1001.1			1001.10		
1001.1100	5	A	<del>1001.1010</del>	5	A
			1001.1020	5	A
			<del>1001.1090</del>	4	A
1001.19			1001.1010		
1001.1910	5	A	<del>1001.1020</del>	5	A
1001.1990	4	A	1001.1090	4	A

Case 2: The case of a one-to-one relationship was introduced in Table 1. An HS 2007 subheading was entirely transferred to a single HS 2012 subheading and the latter originates from only one HS 2007 subheading. This means that there is no change in the product scope for these subheadings and a simple renumbering is done. This change can be introduced in a schedule of concessions by substituting the HS 2007 code with the new HS 2012 code. If there are national breakouts under the affected subheadings, the first six digits of the national codes are replaced.

**Case 2: One-to-one relationship**

HS 2012	Product description	Duty	INR	HS 2007	Product description	Duty	INR
2008.97	-- Mixtures			2008.92	-- Mixtures		
2008.971	--- with added spirit			2008.921	--- with added spirit		
2008.9711	---- Tropical fruit	5	A	2008.9211	---- Tropical fruit	5	A
2008.9719	---- Other	0	B	2008.9219	---- Other	0	B
2008.9790	--- Other	5	C	2008.9290	--- Other	5	C

Case 3: In this case multiple HS 2007 subheadings are entirely merged into a single HS 2012 subheading (none of the HS 2007 are prefixed), i.e. all the products covered by the HS 2007 subheadings are fully transferred to one, and only one, HS 2012 subheading.

2.8. The example below shows that two HS 2007 subheadings are transferred to HS 2012 subheading 9109.10 where they need to be recorded in terms of HS 2012 codes (see Table 3 for the 6-digit correlation). National headers (7-digit codes) corresponding to each one of the HS 2007 subheading are first introduced under the HS 2012 subheading and the national tariff lines are listed under each national header. Thus, there is no need to create national breakouts by comparing product scope in each version of the HS.

**Case 3.a: The entirety of HS 2007 subheadings are transferred to a single HS 2012 subheading**

HS2012	Product description	HS 2007	Duty	INR
9109	Clock movements, complete and assembled	9109	Clock movements, complete and assembled	
9109.10	- Electrically operated	9109.1	- Electrically operated	
		<b>9109.11</b>	<b>-- Of alarm clocks</b>	5 A
		9109.1110	--- With opto-electronic display	
		9109.1190	--- Other	0 B
		<b>9109.19</b>	<b>-- Other</b>	
		9109.191	--- Of a width < 50 mm	
		9109.1911	---- For use in civil aircraft	5 B
		9109.1919	---- Other	0 C
		9109.1990	--- Other	5 B

**Case 3.b: The entirety of HS 2007 subheadings are transferred to a single HS 2012 subheading, transposition to HS 2012**

HS2012	Product description	Duty	INR	HS 2007	Duty	INR
9109	Clock movements, complete and assembled			9109		
9109.10	- Electrically operated			9109.1		
<b>9109.101</b>	<b>-- Of alarm clocks</b>			9109.11		
9109.10110	--- With opto-electronic display	5	A	9109.1110	5	A
9109.10190	--- Other	0	B	9109.1190	0	B
<b>9109.109</b>	<b>-- Other</b>			9109.19		
9109.1091	--- Of a width < 50 mm			9109.191		
9109.10911	---- For use in civil aircraft	5	B	9109.1911	5	B
9109.10919	---- Other	0	C	9109.1919	0	C
9109.10990	--- Other	5	B	9109.1990	5	B

Case 4: A slight variation of case 3 where automatic transposition could also be used is when the concessions are identical at the level of each of the HS 2007 subheadings, and one or more of the HS 2007 subheadings are prefixed with "ex". Consider HS 2012 subheading 8456.90 which originates from a full HS 2007 subheading (8456.90) and part of 8479.89.

**Case 4.a: Identical level of commitments for each of the HS 2007 subheadings**

2012 version	2007 version	Remarks in WCO's concordance table
8456.90	8456.90 ex8479.89	The scope of heading 84.56 was expanded to cover also water-jet cutting machines.

HS2012	Product description	HS 2007	Product description	Duty	INR
8456.90	- Other	8479.89	-- Other		
		8479.8910	--- Air purifiers	0	B
		8479.8920	--- Machines for plating by dipping	0	B
		8479.8930	--- Machines for glazing ceramics	0	B
		8479.8990	--- Other	0	B
		8456.90	- Other		
		8456.9010	-- Numerically controlled	5	A
		8456.9090	-- Other	5	A

2.9. In the example above, HS 2007 subheading 8479.89 consists of 4 national tariff lines. To reflect the level of commitment in HS 2012, the national tariff line(s) where "water-jet cutting machines" are classified within 8479.89 has (have) to be identified. HS2007 Subheading 8479.89 if prefixed in the correlation table and only part of this subheading should be transferred to HS2012 subheading 8456.90. The commitments are identical within each subheading, which means that an analysis of the product scope in HS 2007 is not necessary to correctly reflect the concessions in HS 2012 as shown in the table below.

#### **Case 4.b: Identical level of concessions for each of the HS 2007 subheadings, transposition to HS 2012**

HS2012	Product description	Duty	INR	HS 2007	Duty	INR
8456.90	- Other			8479.89		
8456.9010	-- Water-jet cutting machines	0	B	8479.8910	0	B
				8479.8920	0	B
				8479.8930	0	B
				8479.8990	0	B
				8456.90		
8456.9090	-- Other	5	A	8456.9010	5	A
				8456.9090	5	A

2.10. The correlation table that traces the transfer of products from HS 2007 into HS 2012 needs to identify all the national tariff lines in HS 2007 that are possibly concerned. Whether or not all candidate lines are retained will not affect the level of concessions when they are expressed in HS 2012.

### **3 METHODOLOGY FOR PROCESSING HS 2012 CHANGES**

3.1. Paragraph 9 of the HS 2012 Decision mandates the Secretariat to review the submissions prepared by Members. This review will follow a factual report<sup>4</sup> which will include observations on the application of the transposition procedure/methodology. This report will first be submitted to the Members concerned for comments with a view to reaching a common understanding. Any outstanding issue that cannot be resolved will be attached to the "Draft HS 2012 file" and will be circulated for multilateral review.

3.2. As provided in paragraph 3 of the HS 2012 Decision, the Secretariat's work shall be based on each Member's latest schedule, as reflected in the CTS. If tariff lines affected by changes in the HS 2012 nomenclature have not yet been certified in the HS 2007 nomenclature, then the "draft HS 2007 files", which have been approved by all other Members in the multilateral review of the HS 2007 transposition, shall be used as the basis for those tariff lines.

3.3. The methodology employed by the Secretariat is based on the guiding principle for the transpositions according to which the overall product coverage will not be altered by any HS amendments. Products removed from one subheading have to be reallocated to another subheading(s). Therefore, no matter how the HS subheadings are affected by the change in HS versions, each subheading in the new nomenclature must be composed of one or more subheadings or parts of these subheadings from the old nomenclature.

3.4. Based on this principle and the experience gained in the previous two transposition exercises, a uniform processing methodology has been developed. It includes some semi-automatic

<sup>4</sup> See Section VII.



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procedures in order to standardize and simplify the transposition process. Like in the HS 2002 and HS 2007 transposition exercises, the following three-step procedure will be used by the WTO Secretariat:

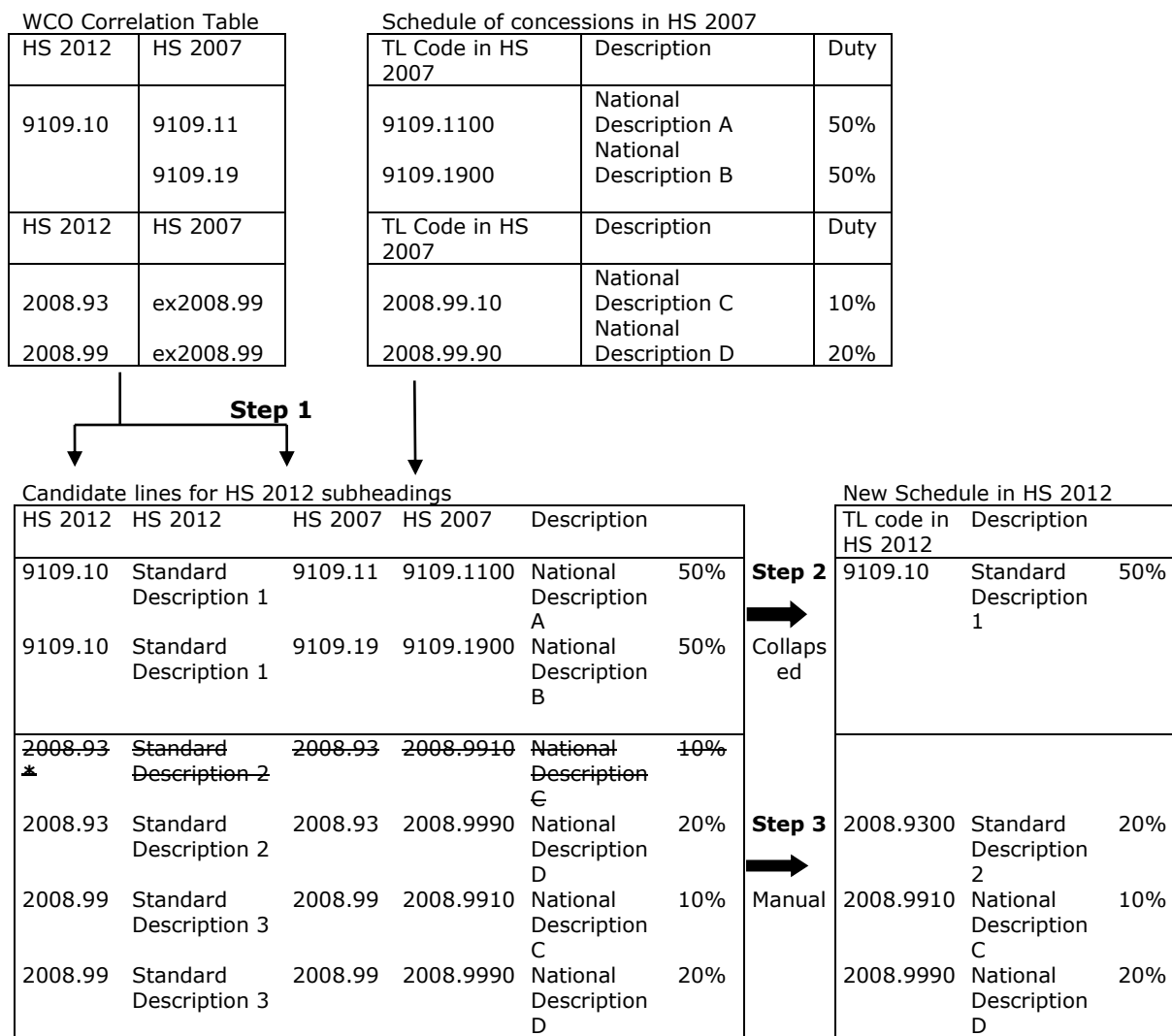
- (1) All the HS 2012 subheadings that are related to *structural* changes will be identified. For each of these HS 2012 subheadings, all corresponding HS 2007 subheadings and their related national tariff lines will be identified in the CTS Concession table and allocated to their respective HS 2012 subheadings. The result of this step will be a table listing all HS 2012 subheadings and the corresponding HS 2007 national tariff lines that could potentially be reallocated under these HS 2012 subheadings. A pair of HS 2012 and HS 2007 subheadings should be the same as that in the WCO standard correlation tables. One pair may correspond to more than one national tariff line. And one national tariff line may correspond to more than one pair of HS six-digit correlations or HS 2012 subheadings. All tariff lines corresponding to an HS 2012 subheading are called "candidate lines" for this HS 2012 subheading.
- (2) A computer program will evaluate all candidate lines for each HS 2012 subheading to determine whether they could be simplified by, for example, collapsing them in a single subheading. Specifically, if all candidate lines corresponding to an HS 2012 subheading have identical concessions (if they present the same core parts of the concessions, e.g. bound duty, INRs, ODCs, SSG, etc.), these candidate lines could be simplified by collapsing them into one HS 2012 line. As it is no longer necessary to distinguish between those candidate lines with identical concessions, the different "origins" of these candidate lines could be ignored to simplify the outcome. The HS 2012 subheading code and description would become the new tariff line code and description.<sup>5</sup>
- (3) When the concessions of candidate lines do not fit in any of the four cases listed in Section II above, these HS 2012 subheadings and candidate lines will be put aside for manual transposition. These candidate lines will then be examined on a case-by-case basis to determine whether they should be retained for this HS 2012 subheading or should be removed from this HS 2012 subheading. Since one HS 2007 subheading can be split into more than one HS 2012 subheading, a national tariff line under this HS 2007 subheading could, in theory, be assigned to each corresponding HS 2012 subheading as a candidate line. Depending on the product coverage of this national tariff line, it may be retained or dropped for a specific HS 2012 subheading, but it should appear under at least one HS 2012 subheading. For all candidate lines that are kept, tariff line codes and descriptions may need to be re-defined accordingly based on the national product descriptions. These new codes and descriptions become part of the new CTS in HS 2012 and the pairs of tariff line codes in HS 2007 and HS 2012 are recorded in the correlation table.

3.5. Although a large number of lines could be automatically transposed through a computer program, and this process will significantly reduce the workload and help focus the resources on the manual work, it should be noted that the manual work involved would still be extensive and will require a considerable resources from the WTO Secretariat.

3.6. The following chart illustrates how this process is applied for processing two HS changes of a mock schedule with four national tariff lines. The first change related to subheading 9109.10 is processed automatically since the two national tariff lines have the same duties. The second change on subheadings 2008.93 and 2008.99 involves different duties for candidate lines. It has to be processed manually to take into account the national descriptions and duty rates.

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<sup>5</sup> Zeros ("0"s) may be added to make the code the same length as other national tariff line codes.

**Figure 5: Example of transposition procedures**

\* It is assumed that as a candidate, HS 2007 national tariff line 2008.9910 is not relevant to HS 2012 subheading 2008.93. Therefore, it was dropped for 2008.93, but retained for 2008.99.

#### 4 THE NEED FOR SIMPLIFICATION

4.1. The general aim of the HS amendments is to better align the international classification standard to the changing requirements of the international trading system, keeping it simple, relevant, and comprehensible. This sometimes requires substantial regroupings of parts of headings or subheadings to other or newly defined subheadings. Reflecting such changes in the WTO schedules of concessions is often difficult due to the large number of "legal legacies" that need to be preserved in order to retain unaltered the different concessions. From the WTO perspective, one of the main reasons for transposing Members' Schedules of concessions is to allow for a comparison of the bound duties reflected in the Schedules of concessions vis-à-vis the applied duties (i.e. to ensure that concessions are not being breached).

4.2. The "HS 2007 transposition methodology"<sup>6</sup> highlighted the need for simplification of a limited number of cases, based on the experience gained in the HS 2002 transposition exercise. Indeed, the Secretariat had previously dedicated a substantial amount of manual work on a handful of subheadings with complex coding structure and very complicated technical descriptions. While the

<sup>6</sup> G/MA/283, Transposition of Members' CTS files to the HS 2007 nomenclature, notes on the methodology", adopted on 26 April 2012.

"2002 methodology"<sup>7</sup> was technically correct, a disproportionately large amount of resources were required and had the disadvantage of resulting in a complicated nomenclature structure that was very difficult to align to the nomenclature of the applied tariff used by Members in practice. In addition, some of the theoretical breakdowns might be virtually empty, with no traded products actually being classified under them.

4.3. While the previous transposition procedures have stressed the principle of not affecting the scope of the concessions to the extent possible, they have also acknowledged the practical importance of achieving some degree of simplification in case of complex cases. Several simplification methods were provided for in the earlier HS transpositions procedures in respect of the bound duties<sup>8</sup>, and are described in paragraph 5 of Annex 2 of the HS 2012 decision. For instance, when two tariff lines with different duties were combined, the duty corresponding to the tariff line with majority trade, or the simple or trade weighted average could be assigned as a single duty to a new tariff line, which otherwise would need to be split in two in correspondence with the two different duties.<sup>9</sup>

4.4. Although the decision does not mention methodologies that could be used to deal with other types of simplifications, similar practical steps could be taken to simplify the transposition work when the same bound duty is involved.

## 5 PROPOSED STEPS TO SIMPLIFY THE HS 2012 TRANSPOSITION

5.1. In light of the previous section and the lessons learned from the former transposition exercises, the Secretariat proposes to maintain the practical solutions that aim at keeping the structure of Members' Schedules of concessions simple, while preserving their rights and obligations. The use of any of these methods, which have already been formally approved by the Committee for the HS 2007 transposition, will be duly flagged and noted in the transposition files for transparency.

### 5.1 INRs and legal instruments

5.2. The HS 2002 transposition took into account all INRs (present and earlier) and the reference to the legal instruments (present and first). When two HS subheadings were merged and the tariff lines under them had different INRs or instruments, new breakouts were created to embody the different INRs or instruments, even though all other elements of the concessions, e.g. bound duties and ODCs, were exactly the same. For example:

2012 version	2007 version	Remarks in WCO's concordance table
3808.50	3808.50 ex3808.91 ex3808.92 ex3808.93 ex3808.94 ex3808.99	The scope of subheading 3808.50 has been expanded to cover the products listed in the new subheading Note 1 to Chapter 38. Amendments made consequential to the Rotterdam Convention on the prior informed consent procedure (PIC) for certain hazardous chemicals and pesticides in international trade

HS2012	Product description	HS 2007	Duty	INR
3808.50	- Goods specified in Subheading Note 1 to this Chapter	3808.5000 - Goods specified in Subheading Note 1 to this Chapter	0	B
		3808.91 -- Insecticides		
		3808.9110 --- Containing inorganic substances	0	A
		3808.9190 --- Other	0	B
		3808.92 -- Fungicides		
		3808.9210 --- Maneb; zineb; mancozeb	0	A
		3808.9290 --- Other	0	B
		3808.93 -- Herbicides, ...		

<sup>7</sup> WT/L/605.

<sup>8</sup> BISD 30S/17, WT/L/407.

<sup>9</sup> This has proven difficult to implement in cases where: 1) non-ad valorem duties are involved and no *ad valorem* equivalents are available; 2) only part of a tariff line is transferred and trade statistics are only available at a more aggregated level (so it is difficult to determine which component has the majority of trade or to calculate weighted averages). In addition, since individual Members can use these measures differently, the application of one method and not the other may cause opposition when other Members' interests are impaired and the transposition process may be blocked.

HS2012	Product description	HS 2007	Duty	INR
		3808.9310 --- Plant-growth regulators	0	A,B
		3808.9390 --- Other	0	B
		3808.94 -- Disinfectants		
		3808.9410 --- Based on quaternary ammonium salts	0	
		3808.9490 --- Other	0	
		3808.9900 -- Other	0	A

5.3. Although the duty for all tariff lines under HS2012 subheading 3805.50 is zero, several breakouts would still have to be created just for purpose of differentiating the products corresponding to different INRs. Not only is it difficult to determine the appropriate descriptions for those breakouts, because they relate to many chemical terminologies both at the level of the national tariff lines and in the chapter notes, but they also result in breakouts that have no relationship with the breakouts of Members' applied tariff line structure.

5.4. Since INRs are normally attached to a duty level, it could be reasonable to simplify those entries of INRs that relate to the same duty, keeping just one entry. The Secretariat has previously adopted an approach that avoids the creation of new breakouts solely for differentiating INRs (present and earlier) and legal instruments (present and first) in the HS 2007 transposition. The "candidates" with the same duty but different INRs were collapsed into one tariff line. For Members holding INRs for only part of the tariff line, an ex-out was added in front of country codes. In the case of the above subheading the tariff line would read as shown in Table 4 below.

**Table 5: Example of different INRs**

HS Code	Description	Bound Duty	Present INR Text
3808.5000	- Goods specified in Subheading Note 1 to this Chapter	0	exA, exB

5.5. Similarly, the "candidate lines" with the same duty but different present or earlier instruments will also be collapsed into one tariff line. Any document symbol related to this tariff line, fully or partially, will be listed together in the instrument fields.

## 5.2 Take into consideration Members' transpositions in their applied tariffs

5.6. For the tariff lines that were affected by HS 2012 changes, assuming data availability and to the extent that this helps in resolving complex correlations, the Secretariat will take into consideration the transpositions that have been done by Members in their applied tariffs. This would be particularly useful in the case of correlations where the WCO could not achieve a consensus among the Contracting Parties to the HS<sup>10</sup>. If the Secretariat determines that a Member took a simplified approach in the transposition of that Member's applied tariffs, the Secretariat would try to adopt the same approach as long as it would be in line with the guiding principles of the transposition. Similarly, for Members belonging to a customs union or using the same nomenclature, the Secretariat will endeavour to treat their transpositions in a similar manner. However, tariff lines that have not been affected by HS 2012 changes will not be aligned to the applied tariff by the Secretariat.

## 5.3 Simplified correlations

5.7. The WCO correlation table circulated in document G/MA/W/105<sup>11</sup> is the main basis for the Secretariat's work. A simplified correlation table could reduce the manual work involved and will ensure consistency in the treatment of files that the Secretariat will process. Based on an analysis of HS 2012 changes, the Secretariat proposes the simplification of some correlations as discussed below and flagged in the Annex. If a Member intends to make use of the standard correlation table or take other approaches, it would need to inform the Secretariat.

<sup>10</sup> E.g. HS 2012 Subheadings 4101.20 and 4101.90.

<sup>11</sup> In March 2011 the WCO issued a first corrigendum regarding HS 2012 subheadings 2925.29 and 3002.10; these were included in G/MA/W/105 issued in May 2011. A second corrigendum (July 2011) relates to HS 2012 subheadings 1001.99 and 3913.90 and have to be reflected in G/MA/W/105.

## (a) Simplifying the changes of subheadings deleted due to low volume of trade

The HS 2012 amendments removed headings with annual World trade below a \$100 million threshold and subheadings with annual trade below \$50 million, unless these need to be maintained for other reasons, such as environmental or social concerns. In order to ensure a correct classification of the products originally falling under the deleted subheadings, the WCO provides a correlation to indicate where these products are reallocated.

In implementing these changes in their applied tariff, Members typically delete these headings and subheadings. The products originally classified under the deleted subheadings will apply the duties of the new subheadings where they are reallocated.

In the HS 2012 amendments, over 60 HS 2007 subheadings have been removed because the trade volume was below the above-mentioned threshold. These subheadings are flagged in the correlation table included in the Annex. For 18 subheadings in the HS 2012 transposition, the Secretariat proposes to apply the rate(s) previously applied to the tariff line(s) with the majority of trade if the low-trade subheadings (or parts thereof) can actually be considered to be of marginal importance thus omitting the correlation for the low-trade subheadings<sup>12</sup>, unless the subheading that was deleted due to low trade appears in the nomenclature of the applied tariff. It should be noted that this approach is expressly provided for in the HS 2012 Decision<sup>13</sup>.

In the example below, the commitments on subheading 1102.10 in HS 2007 will be discarded.

**Simplification a: Low volume of trade**

2012 version	2007 version	Remarks in WCO's concordance table
1102.90	1102.10 1102.90	Deletion of subheading 1102.10 because of the low volume of trade.

HS 2012	Product description	Duty	HS 2007	Product description	Duty
1102	Cereal flours other than of wheat or meslin.		1102	Cereal flours other than of wheat or meslin.	
1102.2000	- Maize (corn) flour	5	1102.1000	- Rye flour	10
1102.9000	- Other	0	1102.2000	- Maize (corn) flour	5
			1102.9000	- Other	0

However this is not possible in the following case where both HS 2007 subheadings are deleted and merged into a new Subheading in HS2012:

2012 version	2007 version	Remarks in WCO's concordance table
2528.00	2528.10 2528.90	Subheadings 2528.10 and 2528.90 have been deleted because of the low volume of trade.

## (b) Simplifying selected complex changes

Complex changes account for most of the Secretariat's workload of the HS transposition. In order to precisely maintain minor differences among newly created breakouts, complicated structures and arcane descriptions have to be employed. Although these are technically correct, they are not aligned to the national tariff, which can cause problems in the use of these schedules in the future. Research done by the Secretariat suggests that it is possible to simplify some of these cases, by considering the patterns of trade and the reason behind the HS change. Three such situations are described below.

**Simplification 1:** In the HS 2012 amendments, the scope of 28.52 was expanded by inserting the expression "whether or not chemically defined" to compounds of organic or inorganic mercury. This change was introduced in response to the international convention

<sup>12</sup> When the national applied nomenclature has been submitted to the Integrated Data Base, the Secretariat will verify [1] whether the deleted subheading appears in the nomenclature of the latest available HS 2012 applied tariff and [2] whether the applied rate is higher than the bound commitment of the subheading with a larger share of trade. If this is the case, then the simplification is not implemented.

<sup>13</sup> WT/L/831, Annex 2, Paragraph 5.

for facilitating the monitoring and control of these products under the Rotterdam Convention on the prior informed consent procedure (PIC) for certain hazardous chemicals and pesticides in international trade. Non-chemically defined mercury compounds originally classified under a dozen of HS 2007 subheadings were transferred to the new HS 2012 subheading 2852.90<sup>14</sup>; eight of the HS 2007 subheadings end with "90" or "9" meaning that they are residual subheadings of the heading. When the national HS 2007 subheadings are more detailed than 6-digit, it is not a straightforward exercise to identify the products that could contain non-chemically defined mercury compounds. This newly created subheading groups all the compounds based on the sole content of non-chemically defined mercury. Therefore, it might not be necessary to overcomplicate this subheading with new breakouts according to the other elements contained in these compounds and, hence, avoid the introduction of complicated codes and product descriptions that will not exist in the national tariff. In this particular case, it would seem appropriate to keep only one line and omit the details.

The key question for the transposition would be which duty should be recorded for this new tariff line in HS 2012. Since most Members did not have national breakouts specifically for non-chemically defined mercury compounds under those 12 HS 2007 subheadings, trade statistics are normally not available. In this case, the mode<sup>15</sup> of the duties of all the HS 2007 tariff lines could be used to arrive at the duty of the new subheading. Candidate lines that are not bound are discarded from the calculation of the mode<sup>16</sup>. HS 2012 subheading 2852.90 will be fully unbound only if all the candidate lines are unbound.

#### **Simplification b.1a: HS 2012 subheading 2852.90**

2012 version	2007 version	Remarks in WCO's concordance table
2852.10	2852.00	The scope of heading 28.52 has been expanded by inserting the expression "whether or not chemically defined". Subsequently heading 28.52 has been divided to cover, under the new subheading 2852.10, chemically defined inorganic or organic compounds of mercury, excluding amalgams (facilitating the monitoring and control of these products under the Rotterdam Convention on the prior informed consent procedure (PIC) for certain hazardous chemicals and pesticides in international trade) and, under the new subheading 2852.90, other inorganic or organic compounds of mercury, excluding amalgams. For the purposes of subheading 2852.10, the expression "chemically defined" has been defined in Subheading Note 1 to Chapter 28. Expansion of the scope of heading 28.52 entails the transfer of non-chemically defined compounds of mercury to the new subheading 2852.90.
2852.90	ex2830.90	
	ex2835.39	
	ex2842.10	
	ex2848.00	
	ex2849.90	
	ex2850.00	
	ex2934.99	
	ex3201.90	
	ex3501.90	
	ex3502.90	
	ex3504.00	
	ex3824.90	

Out of the 110 Members' CTS files in HS 2007, none has a national tariff line under the 12 HS 2007 subheadings listed in the correlation table above with a product description relating to "non-chemically defined compounds of mercury". Consequently, all national tariff lines under the subheadings in HS 2007 will remain fully listed in HS 2012 for 10 of these 12 subheadings<sup>17</sup>. Although the product scope is reduced from HS 2007 to HS 2012, these can be seen as a special case of one-to-one relationship as shown in the example below.

#### **Simplification b.1b: HS 2007 subheadings linked to HS 2012 2852.90**

2012 version	2007 version	Remarks in WCO's concordance table
2830.90	ex2830.90	Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90.

<sup>14</sup> World imports (UNSD-Comtrade database) decreased from USD 108 million in 2012 to USD 80 million in 2015; out of 110 Members (EU 28 counted as one) where tariff data is available in the Integrated Data Base, 97 countries have a single level of duty for subheading 285290.

<sup>15</sup> In the context of the HS2007 transposition, the Secretariat suggested to use the duty rate with the most frequent occurrence (i.e. the mode) for special cases (c.f. JOB/MA/108). The use of the mode instead of the arithmetic average was proposed to avoid creating new levels of duties, specifically for those countries operating with a limited number of duty levels.

<sup>16</sup> In case the percentage of unbound candidate lines exceeds 60 per cent, then a manual transposition will be carried out and no simplification done.

<sup>17</sup> Subheadings HS 2007 2934.99 and 3824.90 are also affected by changes other than the expansion of the scope of heading 2852.

HS2012		Duty	INR	HS 2007		Duty	INR
2830	Sulphides; polysulphides, whether or not chemically defined.			2830	Sulphides; polysulphides, whether or not chemically defined.		
2830.1000	- Sodium sulphide	0		2830.1000	- Sodium sulphide	0	
2830.90	- Other			2830.90	- Other		
2830.9010	-- Potassium sulphide	0	A	2830.9010	-- Potassium sulphide	0	A
2830.9020	-- Zinc sulphide	5	B	2830.9020	-- Zinc sulphide	5	B
2830.9030	-- Cadmium sulphide	0	A,B	2830.9030	-- Cadmium sulphide	0	A,B
2830.9090	-- Other	3	A	2830.9090	-- Other	3	A

**Simplification 2:** The scope of HS 2007 subheading 3002.10 (Antisera and other blood fractions and modified immunological products, whether or not obtained by means of biotechnological processes) was expanded to cover other immunological products which are directly involved in the regulation of immunological processes.

#### Simplification b.2: HS 2012 subheading 3002.10

2012 version	2007 version	Remarks in WCO's concordance table
3002.10	ex2925.29 ex2933.29 ex2934.99 ex2937.90 ex3002.10 ex3002.20 ex3002.90 ex3907.20	The scope of subheading 3002.10 has been expanded to cover other immunological products which are directly involved in the regulation of immunological processes.

HS2012	Product description	HS 2007	Product description
3002	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera, other blood fractions and <b>immunological products, whether or not modified</b> or obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products	3002	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera and other blood fractions and <b>modified immunological products</b> , whether or not obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products.
300210	- Antisera, other blood fractions and immunological products, <b>whether or not modified</b> or obtained by means of biotechnological processes	300210	- Antisera and other blood fractions and <b>modified</b> immunological products, whether or not obtained by means of biotechnological processes
300220	- Vaccines for human medicine	300220	- Vaccines for human medicine
300230	- Vaccines for veterinary medicine	300230	- Vaccines for veterinary medicine
300290	- Other	300290	- Other

Five of eight HS 2007 subheadings are residual subheadings (ending with 90 or 9). Like in the previous case, it would seem appropriate to have only one tariff line without a further breakout. The mode of the candidate lines would be retained as the level of binding.

**Simplification 3:** Heading 96.19 was created for sanitary towels (pads) and tampons, napkins and napkin.

**Simplification b.3: HS 2012 subheading 9619.00**

2012 version	2007 version	Remarks in WCO's concordance table
9619.00	ex392620, ex392690 481840 560110 ex610821, ex610822, ex610829 ex611120, ex611130, ex611190 ex611300 ex620891, ex620892, ex620899 ex620920, ex620930, ex620990, ex621050, ex630790	Creation of new heading 96.19 for sanitary towels (pads) and tampons, napkins and napkin liners for babies and similar articles, of any material

Subheading 9619.00 originates from 19 HS 2007 subheadings and was previously classified according to their constituent material<sup>18</sup>. HS 2007 subheadings 4818.40 and 5601.10 should be fully retained as these subheadings are entirely merged in the newly created heading. Regarding the remaining 17 subheadings, it is proposed to retain the mode so as not to unnecessarily overcomplicate the nomenclature.

**Simplification b.3: HS 2012 subheading 9619.00, transposition to HS 2012**

HS2012	Product description	Duty	INR	HS 2007	Duty	INR
9619.00						
9619.001	- Of paper pulp, paper, cellulose wadding or webs of cellulose fibre			4818.40		
9619.0011	-- description of HS 2007 4848.4010	0	A	4818.4010	0	A
9619.0019	-- Other	5	B	4818.4090	5	B
9619.002	- Of textile wadding			5601.10		
9619.0021	-- description of HS 2007 5601.1010	5	A	5601.1010	5	A
9619.0029	-- Other	0		5601.1090	0	
9619.0090	- Other	0	exA, exB	3926.2000 3926.9000 6108.2100 6108.2200 6108.2900 6111.2000 6111.3000 6111.9000 6113.0000 6208.9100 6208.9200 6208.9900 6209.2000 6209.3000 6209.9000 6210.5000 6307.9000	0 0 0 0 0 0 0 5 0 0 5 0 0 3 0 2 0	B       A

**Other issues related to the Secretariat's transposition****5.4 Correlations without clear codes**

5.8. HS Contracting Parties were not able to reach consensus for one HS 2012 amendment. Assuming data availability, the Secretariat will take into consideration the transpositions which

<sup>18</sup> This amendment translates the technological change behind these products that have evolved from simple knit or woven cloth to cellulosic-wood-pulp-based products and super absorbent polymers combined with plastic films and textile nonwovens. Absorbent technology continues to evolve, with various materials from different HS chapters and subheadings being combined into composite products.



have been done by Members in their applied tariffs. In case this information is not available or, if it does not help in resolving the issue, the Secretariat will adopt a uniform approach by applying the correlation provided by the WCO.

2012 version	2007 version	Remarks in WCO's concordance table
4101.20	ex4101.20	The transfer results from the amendment of subheading 4101.20.
4101.90	ex4101.20 4101.90	* *No consensus for these correlations.

HS2012	Product description	HS 2007	Product description
4101	Raw hides and skins of bovine (including buffalo) or equine animals (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not dehaired or split.	4101	Raw hides and skins of bovine (including buffalo) or equine animals (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not dehaired or split.
410120	-Whole hides and skins, <b>unsplit</b> , of a weight per skin not exceeding 8 kg when simply dried, 10 kg when dry-salted, or 16 kg when fresh, wet-salted or otherwise preserved	410120	- Whole hides and skins, of a weight per skin not exceeding 8 kg when simply dried, 10 kg when dry-salted, or 16 kg when fresh, wet-salted or otherwise preserved
410150	-Whole hides and skins, of a weight exceeding 16 kg	410150	- Whole hides and skins, of a weight exceeding 16 kg
410190	- Other, including butts, bends and bellies	410190	- Other, including butts, bends and bellies

## 5.5 Coding conventions

5.9. The length of HS codes (six or more digits) used in the current CTS database will be maintained for this transposition exercise. For those tariff lines where the transposition was done automatically, the resulting tariff line codes could have fewer digits than unaffected CTS lines. In order to maintain a uniform tariff line coding, the HS codes of automatically transposed tariff lines will be padded with trailing zeros in order to yield the same code length as that of the tariff lines in the current schedule.

## 5.6 Agriculture vs. non-agriculture breakdown

5.10. Like in the previous transposition exercise, the classification of Agricultural (AG) and non-Agricultural (non-AG) products will follow the distinction proposed by the Chairman of the NAMA negotiations in his latest draft modalities text<sup>19</sup>. This definition, which was presented in the HS 2002 nomenclature, will be transposed to HS 2007, and then to HS 2012 by applying the standard WCO correlation tables.

5.11. There are two cases where the HS 2007 transposition resulted in a mix of AG and non-AG products at the level of subheadings. These were: non-AG HS 2002 subheading 0509.00 (natural sponges of animal origin) was deleted because of its low volume of trade. This resulted in a transfer to a formerly AG only subheading 0511.99 (other products of animal origin) in HS 2007, which was the residual subheading of Chapter 05. The second case was the creation of a new heading 28.52 for separate inorganic or organic compounds of mercury that resulted in mercury compounds originally classified under 29 HS 2002 subheadings being transferred to this new HS 2007 subheading. Among the 29 HS 2002 subheadings involved, two of them (ex3502.90 and ex3504.00) were defined as agricultural products. HS 2007 subheading 0511.99 was treated as an agricultural product, while 2852.00 was classified as a non-agricultural product.

5.12. There is one case where the HS 2012 transposition results in a mix of Ag and non-Ag products at the subheading level. HS 2012 subheading 2852.90 (non-chemically defined organic or inorganic compounds of mercury, excluding amalgams) originates from 12 HS 2007 subheadings, three of which are AG subheadings (ex3501.90, ex3502.90 and ex3504.00). In the absence of a new definition in HS 2012, the Secretariat would propose to treat HS 2012 subheading 2852.90 as

<sup>19</sup> TN/MA/W/103/Rev.3/Add.1, Annex 1, page 34.

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a non-agricultural product considering that the agricultural component consist only of a minor part of the new subheadings, both in terms of importance of classification and volume of trade.

## **6 FORMAT AND CONTENTS OF THE HS 2012 TRANSPOSITION FILES**

6.1. This section provides further technical information on the format and contents of the HS 2012 transposition files to be prepared by the Secretariat. It should also serve as a guideline to the format of the files that will be prepared by those Members that will submit their own transpositions. The format of the two key tables as well as reference information on WCO HS 2012 nomenclature and correlation tables was already made available to Members through the IDB File Exchange Facility<sup>20</sup>. The information is reproduced in Tables 6 and 7 below, together with some additional explanations.

6.2. The changes that result from the HS transposition are summarized in Tables 6 and 7. Table 6, called transposition file, contains all relevant elements of the schedule for all those HS headings where one or more tariff lines are affected by HS changes. Table 7, usually called the concordance or correlation table, provides the concordance of all tariff lines in the transposition file to one or more tariff lines in the schedule in the HS 2007 nomenclature. In its MS Access version, a query called "Concordance\_HS2007\_HS2012" is available in each file in order to extract the reverse concordance from HS 2007 to HS 2012. In MS Excel, an additional worksheet with the reverse concordance is provided. The electronic files maintained in the Consolidated Tariff Schedules (CTS) database in HS 2007 serve as the source of information for Members' commitments.

6.3. Additional tables transposing relevant concessions and commitments contained in other parts and sections of the Schedules should also be included as part of the draft HS 2012 files in case relevant HS codes are affected. For example, if tariff quotas or export subsidies are affected by HS 2012 changes, the Secretariat will prepare an Excel file which would include (1) the tariff lines affected by the HS 2012 changes and (2) the corresponding correlation table(s). The tables maintained in the Consolidated Tariff Schedules (CTS) database will be used by the Secretariat as the source of this information. The new tables will allow Members to determine the precise scope of each concession or commitment in the new version of the nomenclature. To facilitate the review process, an indication of which tariff lines are affected by the HS 2012 changes within each tariff quota or export subsidy will be included. The information described in this paragraph should also be provided in the draft HS 2012 files prepared by Members.

6.4. The scope of the tariff lines to be covered by this transposition exercise is given in the Annex of this document. Tariff lines are defined as all product items which can be identified by a product description and corresponding commitments. This also includes tariff lines that are not identified by a unique HS product code. In the format of the Secretariat tables, these tariff lines are identified by different tariff line suffixes. All tariff lines in the HS 2012 transposition table need to be linked via the concordance table with the HS 2007 version of the final concession table in the Consolidated Tariff Schedules database.

6.5. For the sake of transparency and facilitate the review process, it is also recommended to include the unbound parts of HS 2012 subheadings affected by the transposition in the correlation table and in the transposition file. This is necessary for those cases where product descriptions can only be understood in the context of a full listing of all product items within one subheading. For example, the product description "Other" can only be interpreted correctly if one knows all the items that are not covered by this residual category. Leaving out unbound items at the tariff line level, i.e. more detailed than HS subheadings, could result in the misinterpretation of product description of bound tariff lines.

6.6. The Secretariat introduced in the HS 2002 and HS 2007 transpositions all unbound tariff lines in the new final concession table (listing the full nomenclature), as well as in the transposition file and the correlation tables (in the HS2007 transposition). These files have been made available for the multilateral review exercises. The final concession table will be the basis for the HS 2007 version of the CTS, which is currently under preparation. For the HS 2012 transposition exercise the Secretariat will prepare (1) a correlation table, including correlations for unbound tariff lines, (2) a transposition file and (3) a new final HS 2012 concession table covering the full

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<sup>20</sup> <https://idbfileexchange.wto.org>.

nomenclature. However, in the document prepared for the purpose of certification the unbound tariff lines will not be shown.

**Table 6: Transposition file**

FIELD NAME	DESCRIPTION
Member	Country code of the WTO Member (ISO Alpha Code).
TL	Tariff line number, headings or sub-headings.
TLLLevel	Tariff line product level.
TLS	Tariff Line Suffix.
Ex	Ex recording concession on part of the product or Ex1, Ex2, etc. recording concessions at different duty levels.
Sector	Ag: Standard definition of agriculture used by the Secretariat ; Ag-ex: Headers that include both agricultural and non-agricultural products; Null: Non-agricultural products.
Description	Product's description in English, French or Spanish with dashes essential.
Certified	C: Certified, A: Approved but not yet certified; or Null: Not certified.
Base Duty AV	Ad valorem duty only, examples: 30 for (30%) or 11.75 for (11.75%).
Base Duty Other	Specific duty or duty containing a specific rate element (currency and quantity unit included) – see examples under Base Duty Nature field below.
Base Duty Binding Status	B: Bound; U: Unbound.
Base Duty Nature	A: ad valorem=10%; M: mixed=10% or \$2/kg whichever is the higher (/lower); C: compound=10% + S2/kg; S: specific=\$2/kg; O: other textual duty.
Bound Duty AV	Ad valorem duty only, examples: 30 for (30%) or 11.75 for (11.75%).
Bound Duty Other	Specific duty or duty containing a specific rate element (currency and quantity unit included) – see examples under Bound Duty Nature field below.
Bound Duty Binding Status	B: Bound; U: Unbound.
Bound Duty Nature	A: ad valorem=10%; M: mixed=10% or \$2/kg whichever is the higher (/lower); C: compound=10% + S2/kg; S: specific=\$2/kg; O: other textual duty.
ODC Duty AV	Other duties and charges (ODC) ad valorem duty.
ODC Duty Other	Specific duty or duty containing a specific rate element (currency and quantity unit included) – see examples under ODC Duty Nature field below.
ODC Textual Information	Textual information related to ODCs.
ODC Duty Nature	A: ad valorem=10%; M: mixed=10% or \$2/kg whichever is the higher (/lower); C: compound=10% + S2/kg; S: specific=\$2/kg; O: other textual duty.
Special Safeguard	SSG (English); SGS (French); and SGE (Spanish)
Present Instrument	Legal instrument on the present concession, e.g. UR/94 for the Uruguay Round
Present INR Text	Initial negotiating rights on the present concession (2 or 3 alpha ISO or other codes, separated by a hyphen).
First Instrument	Legal instrument establishing the first concession, e.g. G/47, etc.
Earlier INR Text	Initial negotiating rights on earlier concession(s) and, if available, the duty level and reference on historic INRs. E.g. CH 10 T/51-EEC6 20-US (2 or 3 alpha ISO or other codes, separated by a hyphen or comma).
Implementation From	Implementation period: Start year.
Implementation To	Implementation period: End year.

**Table 7: Concordance table**

FIELD NAME	DESCRIPTION
Reporter	Country code of the WTO Member (ISO Alpha Code).
Ex_HS12	'Ex' signifies that only part of the HS code (TL_HS12) is covered by this correlation.
TL_HS12	Tariff line number in HS2012
TLS_HS12	Tariff Line Suffix in HS2012
Rate_HS12	Ad valorem bound duty rate of tariff lines in the HS2012
OtherRate_HS12	Other bound duty rate of tariff lines in the HS2012
Ex_HS07	'Ex' signifies that only part of the HS code (TL_HS07) is covered by this correlation.
TL_HS07	Tariff line number in HS2007
TLS_HS07	Tariff Line Suffix in HS2007

FIELD NAME	DESCRIPTION
Rate_HS07	<i>Ad valorem</i> bound duty rate of tariff lines in HS2007
OtherRate_HS07	Other bound duty rate of tariff lines in HS2007

## 7 VERIFICATION OF MEMBERS' SUBMISSIONS

7.1. Paragraph 9 of the HS 2012 Decision mandates the Secretariat to review the draft HS 2012 files prepared by Members before releasing them for multilateral review. In this respect, the Secretariat will prepare a verification report which will be released together with the draft HS 2012 file prepared by the Member. To this end, the Secretariat will follow a standard procedure that can be applied objectively and transparently to all submissions. It can be summarized as follows:

### 7.1 Processing and formatting

7.2. Submissions received in formats that differ from the suggested standard format in the reference information<sup>21</sup> will be processed in the standard format and converted to a database. The Secretariat will apply the concordance table submitted to extract data from the CTS (HS 2007) and list the commitments against the transposition file. In this process, the issues identified by the Secretariat will be documented in a report that will be sent to the Member concerned with a description of the problems and suggestions for correction.

### 7.2 Consistency of submissions

7.3. Consistency checks will be performed to verify the correctness and completeness of the submission itself, as well as in relation to the original HS 2007 schedule, as reflected in the CTS. The following five aspects will be verified:

- (a) As the concordance table for Members preparing their own file will not include duties, no verification of duties will be made in this table. If members provide this information, it will not be used by the Secretariat to prepare the standard draft HS 2012 transposition file. The Secretariat will generate the HS 2007 duties from the CTS file and the HS 2012 duties from the Member's submission;
- (b) All HS 2012 tariff line codes in the correlation table should match with tariff line codes in the draft HS 2012 schedule of the submission. Any mismatches will be identified and noted;
- (c) All HS 2007 tariff line codes in the correlation table should match with tariff line codes in HS 2007 CTS files. Any mismatches will be identified and noted;
- (d) If the draft HS 2012 file of a submission includes a complete nomenclature, then the tariff lines that are not affected by the HS 2012 changes should be the same as they are in HS 2007. Any mismatches will be identified and noted;
- (e) All tariff lines codes listed in the HS 2012 submission should be in line with WCO standard 2012 version of the HS. Any mismatches will be identified and noted.

### 7.3 Compare submissions with the standard WCO's correlation table

7.4. The WCO's correlation table indicates that "they are not to be regarded as constituting classification decisions taken by that Committee; they constitute a guide published by the Secretariat and whose sole purpose is to facilitate implementation of the 2012 version of the Harmonized System. They do not have legal status." Therefore, it is possible that WTO Members deviate in one way or another from that correlation table in the transposition of their schedule of concessions. However, since the WCO correlation is the only common basis for the transposition and will be used by the Secretariat to transpose the schedules of developing country Members, it seems appropriate to compare the other Members' submissions with the WCO standard correlation table and to identify any deviations.

<sup>21</sup> The Secretariat will update the reference tables that had been previously issued to take account of the WCO's second corrigendum (July 2011) relating to HS 2012 subheadings 1001.99 and 3913.

7.5. Given the large workload that this could entail and the limited resources available, the Secretariat will not be in a position to analyse these submissions on a line-by-line basis. The Secretariat intends to use a standard procedure to exclusively identify the deviations that resulted in an omission of duties that are lower than the duty proposed in draft HS 2012 files, or which resulted in extra duties that are higher than the duties resulting from the transposition following the WCO correlation table.

7.6. The procedure will, firstly, conduct a theoretical transposition by applying the WCO correlation to the HS 2007 CTS database of the Member concerned. As described in the first step of the general methodology in Section II above, this will create a table that lists all HS 2012 subheadings, corresponding HS 2007 subheading and all national tariff lines under each HS 2007 subheading, which could potentially be reallocated under corresponding HS 2012 subheadings. Secondly, both the theoretical transposition and the submission will be grouped by HS six-digit codes and bound duties. The results are two lists of unique duties for each HS six-digit subheading. Then a comparison will be done between the two lists to see if the unique duties under each subheading can be matched. The comparison has three possible results:

- (a) Under the same HS 2012 subheading, the duties of the submission are exactly the same as the duties of the theoretical transposition. For example, under a subheading, the theoretical transposition has duties of 10 per cent and 20 per cent and the submission for the same subheading has duties 10 per cent and 20 per cent as well. In this case, although the national correlation could deviate from the WCO's correlation table, the Secretariat will do no further checking because the levels of concessions are most likely the same as they were in HS 2007;
- (b) Under the same HS 2012 subheading, the submission has extra unique duties. If the extra duties are lower than the lowest duties of the theoretical transposition, they will not be noted by the Secretariat. For example, for a particular HS 2012 subheading the theoretical transposition by the Secretariat shows 2 duties, 10 per cent and 20 per cent, but the Member's submission shows three duties, 5 per cent, 10 per cent and 20 per cent. In the alternative case where the extra duties in the Member's submission are higher than the highest duties of the theoretical transposition, the tariff lines under the subheading will be listed in the verification report. For instance, the extra duty is 25 per cent instead of 5 per cent.
- (c) Under the same HS 2012 subheading, the submission by the Member misses some unique duties, which are in the theoretical transposition by the Secretariat. The theoretical transposition links all national tariff lines under the relevant HS 2007 subheadings (candidate lines) to each HS 2012 subheading. In some cases such as a HS 2007 subheading is split into several HS 2012 subheadings, not all candidates should necessarily be kept in certain HS 2012 subheadings; a candidate line can be transferred to different HS 2012 subheadings and it should be deleted as a candidate for the current HS 2012 subheading as long as other national tariff lines under the same HS 2007 subheading are kept for this HS 2012 subheading<sup>22</sup>. To determine whether a candidate tariff line should be kept or deleted requires checking the product description manually, as the Secretariat does in manual transpositions. The proposed verification would take a relatively simple approach: a missing unique duty will not be identified as a problem as long as other tariff lines under the same HS 2007 subheading are kept for this HS 2012 subheading. Based on this assumption, a further check will be done to determine whether a whole HS 2007 subheading is missing for this HS 2012 subheading. If it is the case, these will be listed as problems since the missing duties must be the result of a missing correlation. If it is not the case, then the theoretical transposition includes all national tariff lines under this HS 2007 subheading and the submission select only some of them; the missing duties are being reallocated to other subheadings.

7.7. If the submissions include other concession elements, such as INRs, they will also be taken into account in the above-mentioned process. It should be stressed that this comparison by the Secretariat is not meant to replace the manual checking by other Members interested in specific products. The automatic procedure is based on a number of assumptions which may not always correspond to the result of a more in-depth analysis.

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<sup>22</sup> See for example case 1.c in Section II.

7.8. The problems found by the Secretariat in applying this procedure will be presented in an Excel verification report, which will include three parts corresponding to the three steps: problems found in processing, inconsistencies, and deviations related to changes of concessions. For each problem identified, the tariff line codes and an explanation will be provided for ease of reference and review.

### ANNEX HS 2012 TO HS 2007 CORRELATIONS<sup>1</sup>

Column "Type" flags cases where the transposition from HS 2007 to HS 2012 can be carried out by an automatic program. The different values are:

- R: Renumbering (see Case 2 in section II)
- A: Automatic (see Case 3)
- L: low trade (see simplified correlations (a) in Section V)
- M: use of mode (see simplifying selected complex changes in Section V, e.g. Simplification b.1a in Section V)
- Mb: considered as unaffected by change in HS version (the product scope is reduced by a fraction, see Simplification b. 1b in Section V)

ID	HS2012	HS2007	Sector	Type	Remarks
1	010121	ex010110	Ag		Subdivision of subheading 0101.10 to provide separately for horses and asses.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
	010129	ex010190	Ag		
	010130	ex010110	Ag		
		ex010190	Ag		
	010190	ex010190	Ag		
2	010221	ex010210	Ag		Subdivision of subheading 0102.10 to provide separately for cattle and buffalo.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
	010229	ex010290	Ag		
	010231	ex010210	Ag		
	010239	ex010290	Ag		
	010290	ex010210	Ag		
		ex010290	Ag		
3	010513	ex010519	Ag		Subdivision of subheading 0105.19 to provide separately for ducks, geese and guinea fowls. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
	010514	ex010519	Ag		
	010515	ex010519	Ag		
4	010612	010612	Ag		Expansion of the scope of subheading 0106.12 to include seals, sea lions and walruses.  At the same time, creation of new subheadings for certain animals.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security
		ex010619	Ag		
	010613	ex010619	Ag		
	010614	ex010619	Ag		
	010619	ex010619	Ag		
	010633	ex010639	Ag		
	010639	ex010639	Ag		
	010641	ex010690	Ag		
	010649	ex010690	Ag		
	010690	ex010690	Ag		
5	020741	ex020732	Ag		Subdivision of subheading 0207.3 to provide separately for products of ducks, geese and guinea fowls.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
	020742	ex020733	Ag		
	020743	ex020734	Ag		
	020744	ex020735	Ag		
	020745	ex020736	Ag		
	020751	ex020732	Ag		
	020752	ex020733	Ag		
	020753	ex020734	Ag		
	020754	ex020735	Ag		
	020755	ex020736	Ag		
	020760	ex020732	Ag		
		ex020733	Ag		
		ex020735	Ag		
	ex020736	Ag			
6	020840	020840	Ag		Expansion of the scope of subheading 0208.40 to include products

<sup>1</sup> This correlation table is based on document G/MA/W/105 issued in May 2011 and which included the first WCO corrigendum, dated March 2011. A second corrigendum was issued in July 2011 relating to HS 2012 subheadings 1001.99 and 3913.90 and is reflected in this Annex.







ID	HS2012	HS2007	Sector	Type	Remarks
	030487 030489	ex030429 ex030429	Non-ag Non-ag		
20	030493 030494 030495 030499	ex030499 ex030499 ex030499 ex030499	Non-ag Non-ag Non-ag Non-ag		Creation of new subheadings 0304.93 to 0304.95 for certain species of fish.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
21	030531 030532 030539	ex030530 ex030530 ex030530	Non-ag Non-ag Non-ag		Subdivision of subheading 0305.30 to provide separately for products of certain species of fish. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
22	030541 030542	ex030541 ex030542	Non-ag Non-ag		Transfer of edible fish offal to subheading 0305.7. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
23	030543 030544 030549	ex030549 ex030549 ex030549	Non-ag Non-ag Non-ag		Creation of new subheadings 0305.43 to 0305.44 for certain species of fish. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
24	030551 030559 030561 030562 030563 030564 030569	ex030551 ex030559 ex030561 ex030562 ex030563 ex030569 ex030569	Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag		Transfer of edible fish offal to subheading 0305.7.  At the same time, creation of new subheading 0305.64 for certain species of fish.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
25	030571  030572          030579	ex030549 ex030559 ex030569 ex030541 ex030542 ex030549 ex030551 ex030559 ex030561 ex030562 ex030563 ex030569 ex030541 ex030542 ex030549 ex030551 ex030559 ex030561 ex030562 ex030563 ex030569	Non-ag Non-ag		Creation of new subheadings 0305.7 to 0305.79 for edible fish offal.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
26	030611  030612  030614  030615  030616	030611 ex160540 030612 ex160530 030614 ex160510 ex030619 ex160540 ex030613	Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag		Expansion of the scope of heading 03.06 to cover smoked products.  Subdivision of subheadings 0306.13 and 0306.23 to provide separately for certain types of shrimps and prawns.  Creation of new subheadings 0306.15 and 0306.25 for Norway lobsters.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
	030617  030619  030621  030622	ex160520 ex030613 ex160520 ex030619 ex160540 030621 ex160540 030622	Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag		

ID	HS2012	HS2007	Sector	Type	Remarks
	030624	ex160530 030624	Non-ag Non-ag		
	030625	ex160510 ex030629	Non-ag Non-ag		
	030626	ex160540 ex030623	Non-ag Non-ag		
	030627	ex160520 ex030623	Non-ag Non-ag		
	030629	ex160520 ex030629 ex160540	Non-ag Non-ag Non-ag		
27	030711 030719 030729 030739 030749 030759 030760 030771 030779 030781 030789 030791 030799	ex030710 ex030710 ex160590 030729 ex160590 030739 ex160590 030749 ex160590 030759 ex160590 030760 ex160590 ex030791 ex030799 ex160590 ex030791 ex030799 ex160590 ex030791 ex030799 ex160590 ex030791 ex030799 ex160590	Non-ag Non-ag		<p>Subdivision of subheadings 0307.10 and 0307.9 to 0307.99 to provide separately for live, fresh or chilled oysters and certain species of molluscs.</p> <p>At the same time, expansion of the scope of heading 03.07 to cover smoked products.</p> <p>Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.</p>
28	030811	ex030791	Non-ag		Heading 03.08 has been created to provide separately for aquatic invertebrates other than crustaceans and molluscs.
	030819 030821 030829 030830 030890	ex030799 ex160590 ex030791 ex030799 ex160590 ex030791 ex030799 ex160590 ex030791 ex030799 ex160590	Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag		<p>At the same time, transfer of smoked aquatic invertebrates to new heading 03.08.</p> <p>Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.</p>
29	040140 040150	ex040130 ex040130	Ag Ag		Subheading 0401.30 has been subdivided to provide separately for products of heading 04.01, of a fat content, by weight, exceeding 6% but not exceeding 10 %. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
30	040711 040719 040721	ex040700 ex040700 ex040700	Ag Ag Ag		Heading 04.07 has been subdivided to create new subheadings 0407.11 and 0407.19 for fertilised eggs for incubation and subheadings 0407.21 and 0407.29 for other fresh eggs.

ID	HS2012	HS2007	Sector	Type	Remarks
	040729 040790	ex040700 ex040700	Ag Ag		Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
31	060315 060319	ex060319 ex060319	Ag Ag		Creation of new subheading 0603.15 for lilies ( <i>Lilium</i> spp.).
32	060420  060490	ex060410 060491 ex060410 060499	Ag Ag Ag Ag	L  L	Deletion of subheading 0604.10 because of the low volume of trade.
33	070991 070992 070993 070999	ex070990 ex070990 ex070990 ex070990	Ag Ag Ag Ag		Subheading 0709.90 has been subdivided to create new subheadings 0709.91 for globe artichokes, 0709.92 for olives and 0709.93 for pumpkins, squash and gourds. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
34	071334 071335 071339	ex071339 ex071339 ex071339	Ag Ag Ag		Creation of new subheadings 0713.34 for bambara beans ( <i>Vigna subterranea</i> or <i>Voandzeia subterranea</i> ) and 0713.35 for cow peas ( <i>Vigna unguiculata</i> ). Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
35	071360 071390	ex071390 ex071390	Ag Ag		Creation of new subheading 0713.60 for pigeon peas ( <i>Cajanus cajan</i> ). Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
36	071430 071440 071450 071490	ex071490 ex071490 ex071490 ex071490	Ag Ag Ag Ag		Creation of new subheadings 0714.30, 0714.40, and 0714.50 for yams ( <i>Dioscorea</i> spp.), taro ( <i>Colocasia</i> spp.) and yautia ( <i>Xanthosoma</i> spp.), respectively. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
37	080112 080119	ex080119 ex080119	Ag Ag		Creation of new subheading 0801.12 for coconuts in the inner shell. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
38	080241 080242 080251 080252 080261 080262 080270 080280 080290	ex080240 ex080240 ex080250 ex080250 ex080260 ex080260 ex080290 ex080290 ex080290	Ag Ag Ag Ag Ag Ag Ag Ag Ag		Subheadings 0802.40, 0802.50 and 0802.60 have been subdivided to provide separate identification of, on the one hand, shelled chestnuts ( <i>Castanea</i> spp.), pistachios and macadamia nuts and, on the other hand, those in shell.  At the same time, new subheadings have been created for 0802.70 and 0802.80 for kola nuts ( <i>Cola</i> spp.) and areca nuts, respectively.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
39	080310 080390	ex080300 ex080300	Ag Ag		Heading 08.03 has been subdivided to provide separately for plantains. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
40	080830 080840	ex080820 ex080820	Ag Ag		Subheading 0808.20 has been subdivided to create new subheadings 0808.30 for pears and 0808.40 for quinces. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
41	080921 080929	ex080920 ex080920	Ag Ag		Subheading 0809.20 has been subdivided to provide separately for sour cherries ( <i>Prunus cerasus</i> ). Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
42	081030 081070 081090	ex081090 ex081090 ex081090	Ag Ag Ag		Creation of new subheading 0810.30 for black, white or red currants and gooseberries and new subheading 0810.70 for persimmons. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
43	090421 090422	ex090420 ex090420	Ag Ag		Subheading 0904.20 has been subdivided to provide separately for crushed or ground fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> of heading 09.04. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
44	090510 090520	ex090500 ex090500	Ag Ag		Heading 09.05 has been subdivided to provide separately for crushed or ground vanilla. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
45	090710 090720	ex090700 ex090700	Ag Ag		Heading 09.07 has been subdivided to provide separately for crushed or ground cloves. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
46	090811	ex090810	Ag		Subheadings 0908.10, 0908.20 and 0908.30 have been subdivided

ID	HS2012	HS2007	Sector	Type	Remarks
	090812 090821 090822 090831 090832	ex090810 ex090820 ex090820 ex090830 ex090830	Ag Ag Ag Ag Ag		to provide separate identification of crushed or ground nutmeg, mace or cardamoms.  Amendments adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
47	090921 090922 090931 090932 090961  090962	ex090920 ex090920 ex090930 ex090930 ex090910 ex090940 ex090950 ex090910 ex090940 ex090950	Ag Ag Ag Ag Ag Ag Ag Ag Ag Ag		Deletion of subheadings 0909.10, 0909.40 and 0909.50 because of the low volume of trade.  At the same time, new subheadings have been created for separate identification of crushed or ground spices of heading 09.09.  Amendments adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
48	091011 091012	ex091010 ex091010	Ag Ag		Subheading 0910.10 has been subdivided to provide separate identification of crushed or ground ginger. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
49	100111 100119 100191 100199	ex100110 ex100110 ex100190 ex100190	Ag Ag Ag Ag		Subheadings 1001.10 and 1001.90 have been subdivided to provide separately for seeds of durum wheat and other wheat and meslin. Amendments adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
50	100210 100290	ex100200 ex100200	Ag Ag		Heading 10.02 has been subdivided to provide separately for seed of rye. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
51	100310 100390	ex100300 ex100300	Ag Ag		Heading 10.03 has been subdivided to provide separately for seed of barley. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
52	100410 100490	ex100400 ex100400	Ag Ag		Heading 10.04 has been subdivided to provide separately for seed of oats. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
53	100710 100790	ex100700 ex100700	Ag Ag		Heading 10.07 has been subdivided to provide separately for seed of grain sorghum. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
54	100821 100829 100840 100850  100860 100890	ex100820 ex100820 ex100890 ex100890  ex100890 ex100890	Ag Ag Ag Ag  Ag Ag		Subheading 1008.20 has been subdivided to provide separately for seed of millet. At the same time, new subheadings have been created for fonio, quinoa end triticale, respectively.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
55	110290	110210 110290	Ag Ag	L	Deletion of subheading 1102.10 because of the low volume of trade.
56	120110 120190	ex120100 ex120100	Ag Ag		Heading 12.01 has been subdivided to provide separately for seed of soya beans. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
57	120230  120241 120242	ex120210 ex120220 ex120210 ex120220	Ag Ag Ag Ag		Creation of new subheading 1202.30 for seeds of ground-nuts.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
58	120710 120721 120729 120730 120760 120770 120799	ex120799 ex120720 ex120720 ex120799 ex120799 ex120799 ex120799	Ag Ag Ag Ag Ag Ag Ag		New subheadings have been created to provide separately for palm nuts and kernels, castor oil seeds, safflower seeds and melon seeds. At the same time, subheading 1207.20 has been subdivided to create separately for seed of cotton seeds.  Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
59	121221 121229 121292 121293 121294	ex121220 ex121220 ex121299 ex121299 ex121299	Ag Ag Ag Ag Ag		Subheading 1212.20 has been subdivided to provide separately for seaweeds and other algae, fit for human consumption. At the same time, new subheadings 1212.92, 1212.93 and 1212.94 have been created for locust beans, sugar cane and chicory roots, respectively.

ID	HS2012	HS2007	Sector	Type	Remarks
	121299	ex121299	Ag		Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
60	150110 150120 150190	ex150100 ex150100 ex150100	Ag Ag Ag		Heading 15.01 has been subdivided to provide separately for lard and other pig fat, respectively. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
61	150210 150290	ex150200 ex150200	Ag Ag		Heading 15.02 has been subdivided to provide separately for tallow. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
62	160417 160419	ex160419 ex160419	Non-ag Non-ag		New subheading 1604.17 has been created to provide separately for prepared or preserved eels. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
63	160431 160432	ex160430 ex160430	Non-ag Non-ag		Subheading 1604.30 has been subdivided to provide, on the one hand, for caviar and, on the other hand, for caviar substitutes. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
64	160510 160521 160529 160530 160540	ex160510 ex160520 ex160520 ex160530 ex160540	Non-ag Non-ag Non-ag Non-ag Non-ag		Transfer of smoked products to headings 03.06, 03.07 and new heading 03.08. At the same time, subheading 1605.20 has been subdivided to provide separately for shrimps and prawns, not in airtight containers. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
65	160551 160552 160553 160554 160555 160556 160557 160558 160559 160561 160562 160563 160569	ex160590 ex160590 ex160590 ex160590 ex160590 ex160590 ex160590 ex160590 ex160590 ex160590 ex160590 ex160590 ex160590	Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag		Subheading 1605.90 has been subdivided to provide separately for certain molluscs and aquatic invertebrates of heading 16.05. Amendment adopted as a result of the FAO proposal to enhance the monitoring of the global food security.
66	170113 170114	ex170111 ex170111	Ag Ag		Creation of new subheading 1701.13 for the cane sugar specified in Subheading Note 2 to Chapter 17.
67	200390	200320 200390	Ag Ag	L	Deletion of subheading 2003.20 because of the low volume of trade.
68	200893 200897 200899	ex200899 200892 ex200899	Ag Ag Ag	R	Creation of new subheading 2008.93 for cranberries. Subheading 2008.92 has been renumbered as 2008.97.
69	200981 200989	ex200980 ex200980	Ag Ag		Creation of new subheading 2009.81 for cranberry juice.
70	240311 240319	ex240310 ex240310	Ag Ag		Creation of new subheading 2403.11 for water pipe tobacco specified in Subheading Note 1 to Chapter 24.
71	252800	252810 252890	Non-ag Non-ag	A A	Subheadings 2528.10 and 2528.90 have been deleted because of the low volume of trade.
72	271012 271019 271020	ex271011 ex271019 ex271011 ex271019	Non-ag Non-ag Non-ag Non-ag		Creation of new subheading 2710.20 for biodiesel containing by weight 70 % or more of petroleum oils or of oils obtained from bituminous minerals. For the purposes of the subheadings of heading 27.10, the term "biodiesel" has been defined in Subheading Note 5 to Chapter 27.
73	283090	ex283090	Non-ag	Mb	Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90.
74	283539	ex283539	Non-ag	Mb	Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90.
75	284210	ex284210	Non-ag	Mb	Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90.
76	284800	ex284800	Non-ag	Mb	Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90.
77	284990	ex284990	Non-ag	Mb	Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90.

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78	285000	ex285000	Non-ag	Mb	Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90.
79	285210 285290	285200 ex283090 ex283539 ex284210 ex284800 ex284990 ex285000 ex293499 ex320190 ex350190 ex350290 ex350400 ex382490	Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag	R M M M M M M M M M M M M	The scope of heading 28.52 has been expanded by inserting the expression "whether or not chemically defined".  Subsequently heading 28.52 has been divided to cover, under the new subheading 2852.10, chemically defined inorganic or organic compounds of mercury, excluding amalgams (facilitating the monitoring and control of these products under the Rotterdam Convention on the prior informed consent procedure (PIC) for certain hazardous chemicals and pesticides in international trade) and, under the new subheading 2852.90, other inorganic or organic compounds of mercury, excluding amalgams. For the purposes of subheading 2852.10, the expression "chemically defined" has been defined in Subheading Note 1 to Chapter 28. Expansion of the scope of heading 28.52 entails the transfer of non-chemically defined compounds of mercury to the new subheading 2852.90.
80	290371 290372 290373 290374 290375	ex290349 ex290349 ex290349 ex290349 ex290349	Non-ag Non-ag Non-ag Non-ag Non-ag		New subheadings 2903.71 to 2903.75 have been created to cover certain substances facilitating the monitoring and control of these substances that deplete the ozone layer. Amendments consequential to the Montreal Protocol on Substances That Deplete the Ozone Layer.
81	290376	290346	Non-ag	R	Subheading 2903.46 has been renumbered as 2903.76. Amendments consequential to the Montreal Protocol on Substances That Deplete the Ozone Layer.
82	290377	290341 290342 290343 290344 290345	Non-ag Non-ag Non-ag Non-ag Non-ag	A A A A A	Subheadings 2903.41 to 2903.45 have been merged into new subheading 2903.77 covering certain halogenated derivatives of acyclic hydrocarbons containing two or more different halogens, perhalogenated only with fluorine and chlorine. Amendments consequential to the Montreal Protocol on Substances That Deplete the Ozone Layer.
83	290378	290347	Non-ag	A	Subheading 2903.47 has been renumbered as 2903.78.
84	290379	ex290349	Non-ag		New subheading 2903.79 has been created to cover other halogenated derivatives of acyclic hydrocarbons containing two or more different halogens. Amendments consequential to the Montreal Protocol on Substances That Deplete the Ozone Layer.
85	290381 290382 290389	290351 290352 290359	Non-ag Non-ag Non-ag	R R R	Subheadings 2903.51 to 2903.69 have been renumbered as 2903.81 to 2903.99.
	290391 290392 290399	290361 290362 290369	Non-ag Non-ag Non-ag	R R R	
86	290892 290899	ex290899 ex290899	Non-ag Non-ag		
87	291249	291230 291249	Non-ag Non-ag	L	Deletion of subheading 2912.30 because of the low volume of trade.
88	291429	291421 291429	Non-ag Non-ag	L	Deletion of subheading 2914.21 because of the low volume of trade.
89	291616 291619	ex291619 ex291619	Non-ag Non-ag		Creation of new subheading 2916.16 for binapacryl (ISO). Amendment made consequential to the Rotterdam Convention on the prior informed consent procedure (PIC) for certain hazardous chemicals and pesticides in international trade.
90	291639	291635 291639	Non-ag Non-ag	L	Deletion of subheading 2916.35 because of the low volume of trade.
91	292529	ex292529	Non-ag	Mb	Expansion of the scope of subheading 3002.10 entails the transfer of certain products of this subheading to subheading 3002.10.
92	293110 293120	ex293100 ex293100	Non-ag Non-ag		Heading 29.31 has been subdivided to provide separately for tetramethyl lead and tetraethyl lead, and for tributyltin compounds,

ID	HS2012	HS2007	Sector	Type	Remarks
	293190	ex293100	Non-ag		in new subheadings 2931.10 and 2931.20, respectively. Amendment made consequential to the Rotterdam Convention on the prior informed consent procedure (PIC) for certain hazardous chemicals and pesticides in international trade.
93	293220	293221 293229	Non-ag Non-ag	A A	Subheadings 2932.21 and 2932.29 have been merged into new subheading 2932.20 because of the low volume of trade.
94	293329	ex293329	Non-ag	Mb	Expansion of the scope of subheading 3002.10 entails the transfer of certain products of this subheading to subheading 3002.10.
95	293499	ex293499	Non-ag		Creation of new subheading 2852.90 entails the transfer of non-chemically defined compounds of mercury of subheading 2934.99 to the new subheading 2852.90. Expansion of the scope of subheading 3002.10 entails the transfer of certain products of this subheading to subheading 3002.10.
96	293790	293731 293739 293740 ex293790	Non-ag Non-ag Non-ag Non-ag	L L L	Deletion of subheadings 2937.31, 2937.39 and 2937.40 because of the low volume of trade. Expansion of the scope of subheading 3002.10 entails the transfer of certain products of this subheading to subheading 3002.10.
97	293944 293949	ex293949 ex293949	Non-ag Non-ag		Creation of new subheading 2939.44 for norephedrine and its salts.
98	300210  300220 300290	ex292529 ex293329 ex293499 ex293790 ex300210 ex300220 ex300290 ex390720 ex300220 ex293329 ex300210 ex300290	Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag Non-ag	M M M M M M M M Mb	The scope of subheading 3002.10 has been expanded to cover other immunological products which are directly involved in the regulation of immunological processes.
99	320190 350190 350290 350400	ex320190 ex350190 ex350290 ex350400	Non-ag Ag Ag Ag	Mb Mb Mb Mb	Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90.
100	370252	370251 370252	Non-ag Non-ag	A A	Subheadings 3702.51 and 3702.52 have been merged into subheading 3702.52 because of the low volume of trade.
101	370296	ex370291 370293	Non-ag Non-ag		Subheadings 3702.91, 3702.93 and 3702.94 have been merged and subsequently subdivided into two new subheadings 3702.96 and 3702.97 because of the low volume of trade.
	370297 370298	ex370291 370294 370295	Non-ag Non-ag Non-ag	R	Subheading 3702.95 has been renumbered 3702.98.
102	380850	380850 ex380891 ex380892 ex380893 ex380894 ex380899	Non-ag Non-ag Non-ag Non-ag Non-ag		The scope of subheading 3808.50 has been expanded to cover the products listed in new Subheading Note 1 to Chapter 38.  Amendment made consequential to the Rotterdam Convention on the prior informed consent procedure (PIC) for certain hazardous chemicals and pesticides in international trade.
103	380891 380892 380893 380894 380899	ex380891 ex380892 ex380893 ex380894 ex380899	Non-ag Non-ag Non-ag Non-ag Non-ag		Expansion of the scope of subheading 3808.50 entails the transfer of certain products of these subheadings to subheading 3808.50.
104	382490	ex382490	Non-ag		Non-chemically defined compounds of mercury have been transferred to new subheading 2852.90. At the same time, the creation of new heading 38.26 entails the transfer of biodiesel to new heading 38.26.
105	382600	ex382490	Non-ag		Heading 38.26 has been created to provide separately for biodiesel and mixtures thereof, not containing or containing less than 70 % by weight of petroleum oils or oils obtained from bituminous minerals. For the purposes of heading 38.26, the term "biodiesel" has been defined in new Note 7 to Chapter 38.



ID	HS2012	HS2007	Sector	Type	Remarks
106	390720	ex390720	Non-ag	Mb	Expansion of the scope of subheading 3002.10 entails the transfer of certain products of this subheading to subheading 3002.10.
107	392620 392690	ex392620 ex392690	Non-ag Non-ag	Mb Mb	See the remarks for heading 96.19.
108	410120 410190	ex410120 ex410120 410190	Ag Ag Ag		The transfer results from the amendment of subheading 4101.20.  * *No consensus for these correlations.
109	440131 440139	ex440130 ex440130	Non-ag Non-ag		New subheading 4401.31 has been created to provide separately for wood pellets. The expression "wood pellets" in subheading 4401.31 has been defined in Subheading Note 1 to Chapter 44.
110	480840	480820 480830	Non-ag Non-ag	A A	Subheadings 4808.20 and 4808.30 have been merged into new subheading 4808.40 because of the low volume of trade.
111	481490	481410 481490	Non-ag Non-ag	L	Deletion of subheading 4814.10 because of the low volume of trade.
112	580127	580124 580125	Non-ag Non-ag	A A	Subheadings 5801.24 and 5801.25 have been merged into new subheading 5801.27 because of the low volume of trade.
113	580137	580134 580135	Non-ag Non-ag	A A	Subheadings 5801.34 and 5801.35 have been merged into new subheading 5801.37 because of the low volume of trade.
114	610821 610822 610829	ex610821 ex610822 ex610829	Non-ag Non-ag Non-ag	Mb Mb Mb	See the remarks for heading 96.19.
115	611120 611130 611190	ex611120 ex611130 ex611190	Non-ag Non-ag Non-ag	Mb Mb Mb	See the remarks for heading 96.19.
116	611300 620891 620892 620899	ex611300 ex620891 ex620892 ex620899	Non-ag Non-ag Non-ag Non-ag	Mb Mb Mb Mb	See the remarks for heading 96.19. See the remarks for heading 96.19.
117	620920 620930 620990	ex620920 ex620930 ex620990	Non-ag Non-ag Non-ag	Mb Mb Mb	See the remarks for heading 96.19.
118	621050	ex621050	Non-ag	Mb	See the remarks for heading 96.19.
119	621149	621141 621149	Non-ag Non-ag	L	Deletion of subheading 6211.41 because of the low volume of trade.
120	630690	630691 630699	Non-ag Non-ag	A A	Subheadings 6306.91 and 6306.99 have been merged into new subheading 6306.90 because of the low volume of trade.
121	630790	ex630790	Non-ag	Mb	See the remarks for heading 96.19.
122	640690	640691  640699	Non-ag  Non-ag	A  A	Subheadings 6406.91 and 6406.99 have been merged into new subheading 6406.90 because of the low volume of trade.
123	650500	650510 650590	Non-ag Non-ag	A A	Subheadings 6505.10 and 6505.90 have been deleted because of the low volume of trade.
124	681189	681183 681189	Non-ag Non-ag	L	Deletion of subheading 6811.83 because of the low volume of trade.
125	731940	731920 731930	Non-ag Non-ag	A A	Subheadings 7319.20 and 7319.30 have been merged into new subheading 7319.40 because of the low volume of trade.
126	741810	741811 741819	Non-ag Non-ag	A A	Subheadings 7418.11 and 7418.19 have been merged into new subheading 7418.10 because of the low volume of trade.
127	761510	761511 761519	Non-ag Non-ag	A A	Subheadings 7615.11 and 7615.19 have been merged into new subheading 7615.10 because of the low volume of trade.
128	820190	820120 820190	Non-ag Non-ag	L	Deletion of subheading 8201.20 because of the low volume of trade.
129	820590	820580 820590	Non-ag Non-ag	L	Deletion of subheading 8205.80 because of the low volume of trade.
130	845290	845240 845290	Non-ag Non-ag	L	Deletion of subheading 8452.40 because of the low volume of trade.
131	845690	845690 ex847989	Non-ag Non-ag		The scope of heading 84.56 was expanded to cover also water-jet cutting machines.
132	846693	846693 ex847990	Non-ag Non-ag		The amendment of heading 84.56 to cover also water-jet cutting machines entails the transfer of certain products to subheading 8466.93.
133	847971 847979	ex847989 ex847989	Non-ag Non-ag		New subheadings 8479.71 and 8479.79 have been created to provide separately for passenger boarding bridges.

