Meeting of Expert Group on International Economic and Social Classifications

New York, 1-4 September 2009

Review and Update of Agricultural and Fishery Commodities in the Harmonized System

Xiaoning Gong

Food and Agriculture Organization of the United Nations (FAO)

Email: xiaoning.gong@fao.org

Participating in Review & Update Cycle for HS2012



- "FAO Proposal for HS" was presented at 35th Session of HS Review Sub-Committee, Brussels, May 2007
- FAO participated and followed up with subsequent sessions
 - HS Review Sub-Committee (36th, 37th, & 38th)
 - HS Committee (43rd, March 2009)
- Timing was appropriate
 - Completed most significant issue of technology in the last review cycle
 - Interested to know HS an important role for food security
 - "FAO Proposal" was recognized as in the interest of many countries



Working of HS Review Sub-Committee & HS Committee

- Participation by 40 to 60 member countries in HS Review Sub-Committee and the HS Committee
- Review & discussion of "FAO Proposal for HS" was thorough and far beyond allotted time slots In all mentioned sessions
- Consultation conducted with other agencies in home countries & key international organizations, e.g. WTO
- Collaboration was excellent between WCO and FAO
- Implementation: approved by WCO Council in June 2009 HS2012 will enter into force on 1 January 2012



Purpose & Outcome

- Add a substantial number of agricultural and fishery commodities into HS2012
 - 320 items of amendments in "FAO Proposal for HS" accepted
- Will make HS much more useful for agricultural and fisheries statistics
 - not only in trade
 - but also in production and consumption
- Improve correspondence & harmonization between new CPC and HS

Percentage of FAO Proposal Accepted & Number of Links between CPC and HS Improved

HS Chapters	% of Proposal Accepted	# o <mark>f Links</mark> Improved
1	100%	12
2	47%	12
3	75%	12
4	28%	7
7	69%	7
8	85%	13
9	85%	20
10	100%	14
12	69%	13
15	56%	4
16	96%	16
Average / Total	74%	130



Items Accepted

- International trade value exceeding threshold of \$50 millions
- High volume of domestic production
- Seeds for planting
- Needed for the analysis of Food security
- Improved descriptions or adding new species and product form, and regrouping items in a better rational category
- Potential future economic importance: e.g. species experiencing a strong increase in aquaculture production for export markets



Items Not Accepted

- Mainly due to the difficulty of identifying and distinguishing for the purposes of Customs clearance: e.g. to make a distinction:
 - on the origin of milk, cheeses
 - on origin of animal fats
 - between different kinds of meals
 - between products from capture fisheries and those from aquaculture
 - between the two categories of fish in freshwater and saltwater
 - on fillets or fish meat of different species of fish
- which are however not difficult in the production process



Questions for the Expert Group

- Suggestion and comment on how to support for the implementation of international classifications in agriculture
- Suggestion and comment on the preparation of Handbook on Classifications for Agriculture



Thank you!