



St Kitts-Nevis Customs & Excise Department

"To Protect and Collect"

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21st November, 2023.

MEMORANDUM

TO: BROKERS, AGENTS, IMPORTERS, STAKEHOLDERS

FROM: COMPTROLLER OF CUSTOMS

SUBJECT: IMPLEMENTATION OF THE H.S. 2022

The Harmonized Commodity Description and Coding System, usually referred to as the "Harmonized System" or "H.S.", is a multipurpose 6-digit international commodity classification system that is used by governments, international organisations, as well as the private sector as a basis for Customs tariffs and global trade statistics among other things.

The world is constantly changing, and the H.S. must remain up-to-date and practical to reflect technological advances and changes to international trade patterns, ensuring long-term stability for International Trade. The CARICOM Common External Tariff (CET), which is derived from the H.S., is routinely updated every five years as a result.

The St. Kitts and Nevis Customs and Excise Department will be migrating to the 2022 CET, to process cargo crossing our borders, as of 1st January 2024.

All are asked to take note and be guided accordingly.

Yours respectfully,

Kennedy De Silva
Comptroller of Customs

The St. Kitts and Nevis Customs and Excise Department

Implementation of the H.S. 2022



What is the HS?

The Harmonized Commodity Description and Coding System usually referred to as the “Harmonized System” or “HS”, is a multipurpose 6-digit international commodity classification system that is used by governments, international organizations, as well as the private sector, as a basis for Customs tariffs and international trade statistics among other things.

Introduced in October 1988 by the World Customs Organization, the Harmonized System or HS is applied worldwide by over 180 countries and currently accounts for more than 98% of goods traded worldwide. It is a tool for the administration and enforcement of various national and international trade policies, e.g. Customs Duties, Customs Valuation and Rules of Origin, for Trade negotiations and for economic research and analysis,

Why Amend the HS?

The world is constantly changing, and it is important that the HS remains up to date and practical to reflect technological advances and changes to international trade patterns, which ensures a certain degree of long-term stability for International Trade.

As such amendments to the HS have become imperative. The HS nomenclature has been updated every five years since its implementation. The HS 2022 version is the seventh amendment. HS 2022 will become effective on 1st January 2024 in St. Kitts and Nevis.

The HS 2022 was amended for the following reasons:

- Changing technology and products
- Changing trade patterns and volume
- Needs for clarification and simplification of HS provisions and
- Environmental, security and social concerns, particularly when backed by a treaty or convention.

The WCO has published 351 sets of accepted amendments. At our national level there are 447 amendments.

[Source: WCOOMD.ORG and Jamaica Customs Agency]



Overview of HS 2022 Amendments





As previously mentioned, there are a number of amendments to the HS 2022. These include:




- Consequential amendments to Section Notes, Chapters Notes and Subheading Notes.
- Restructuring of Headings and
- Redrafting of Headings e.g., 04.10, 16.01 and 16.02.



Examples of Amendments

The WCO provided some typical examples for the reasons for the amendments. Some examples can be found below. The information below is not definitive, hence when the national tariff that is based on HS 2022 is implemented, we encourage all our customers and stakeholders to consult the HS 2022 and verify the tariff codes before classifying goods to avoid misclassification.



Examples	Descriptions	HS 2017	HS 2022	Highlights of HS 2022 Amendments
Public Health & Safety example	Diagnostics of all types	Various HS codes including:	3822.11 3822.13	The amendment was made to facilitate the classification and cross border transportation of such priority medical goods.
	Kits consisting of many components. All detection methods (eg. Polymerase Chain Reaction (PCR))	3002.11, 3002.15 & 3006.20		The expansion of heading 38.22
Protect Society and Fight Against Terrorism	Radioactive materials	2844.40	2844.41 - 2844.44	New HS Codes for dual use items. The amendment to the HS was made to facilitate the monitoring and control of transfers of certain products considered by the WCO enforcement experts as strategic dual use
		2845.10 & 2845.90	2845.10 2845.20	

			<p>2845.30 2845.40 & 2845.90</p>	<p>goods that could be diverted for unauthorized uses.</p> <p>New subheadings were added under heading 2844 and 2845.</p>
	<p>Vaccines</p>	<p>3002.20 & 3002.30</p>	<p>3002.40 – 3002.49</p>	<p>Deletion of subheadings 302.20 and 3002.30. Creation of a new subheading 3002.40 and its subdivisions.</p>
<p>Goods Specially controlled Under International/Environmental Treaties</p> 	<p>HFC'S</p>	<p>2903.39</p>	<p>2903.41 – 2903.51</p>	<p>The Kigali Amendment to the Montreal Protocol monitors and controls the trade and usage of substances that deplete the ozone layer.</p>
<p>Food Security and Environment Protection</p> 	<p>Electrical and electronic waste and scrap</p>	<p>Various headings including 38.25, 71.12 and 85.48</p>	<p>85.49</p>	<p>New heading 85.49 created. New Note 6 to Section XVI has been created to define the scope. Note 4 to Chapter 38 has been amended to exclude electrical and electronic waste and scrap from "municipal waste of heading 38.25 and radioactive waste of heading 28.44.</p>

<p>Technological Advances</p> 	<p>3D Printers</p>	<p>84.77</p>	<p>84.85</p>	<p>New heading 84.85 and subheadings for machines for additives manufacturing, also called 3D printers. Note 10 to chapter 84 define the scope of 3D printing.</p>
	<p>E-Cigarettes</p>	<p>8543.70</p>	<p>8543.40</p>	<p>New subheading 8543.40 has been created for electronic cigarettes and similar personal electric vaporising devices, commonly referred to as e-cigarettes.</p> <p>Exclusion notes have also been added to the Explanatory Notes for heading 85.43 to exclude certain items that would be classified under 24.04 & 96.14.</p>
<p>Trade Patterns</p> 	<p>Globes (Maps)</p> <p>Cadmium</p>	<p>4905.10</p> <p>81.07</p>	<p>4905.90</p> <p>8112.69</p> <p>8112.61</p>	<p>Low trade volume: The WCO monitors trade in goods, whether there is a high or low volume in trade of an item. Consequently, there are HS codes that are deleted due to low trade volumes, however two new subheadings have been created to account for increase in volume.</p>

<p>Clarification of the HS Text</p> 	<p>Flours, meals and pellets of fish, crustaceans, mollusks and other aquatic invertebrates, fit for human consumption</p>	<p>03.05, 03.06, 03.07 and 03.08</p>	<p>03.09</p>	<p>Change made to clarify the classification of flour, meals and pellets in Chapter 3. In addition, the reference to flour meals and pellets in headings 0305 and 0308 were deleted.</p>
	<p>Smartphones</p> <p>Other telephones for cellular networks or other wireless networks.</p> <p>Parts for the smartphones & other cellphones</p>	<p>8517.12</p> <p>8517.12</p> <p>8517.70</p>	<p>8517.13</p> <p>8517.14</p> <p>8517.71 & 8517.79</p>	<p>Deletion of subheading 8517.12</p> <p>A new subheading 8517.13 was created to provide for smartphones. A new subheading 8517.14 to classify other, given the deletion of 8517.12.</p> <p>A new note 5 to Chapter 85 to define the scope of smartphones. 8517.71 and 8517.79 both new subheading for parts.</p>



	Unmanned aircraft (Drone)	88.02	88.06	<p>Amendments to heading 88.02 to exclude unmanned aircrafts.</p> <p>New note 1 to chapter 88 to define the scope of unmanned aircrafts.</p> <p>New subheading Note 2 to chapter 88 to clarify the scope of the subheading under the new heading 88.06.</p> <p>Deletion of heading 88.03 ie. Parts of headings 88.01 88.02 and 88.06.</p> <p>Creation of a new exclusion Note 1(p) to chapter 95 to exclude unmanned aircrafts.</p>
	Electric Vehicles & Road Tractors	8701.20 8704.90	8701.20 - 8701.24 & 8701.29 8703.40 – 8703.90; 8704.40 – 8704.41, 8704.42 & 8704.43 8704.50- 8704.51 & 8704.52 8704.60	<p>Subdivision of subheading 8701.20 for fully or partially electric powered road tractors for semi-trailers.</p> <p>New subheading 8704.40 and its subdivisions</p> <p>New subheading 8704.50 and its subdivisions</p> <p>New subheading 8704.60 and its subdivisions</p>

For more information on the changes to HS 2022, visit the World Customs Organization (WCO) website at <https://www.wcoomd.org/en/topics/nomenclature/instrument-and-tools/hs-nomenclature-2022-edition.aspx>

Or kindly contact St. Kitts-Nevis Customs and Excise Department at 466-7227 (St. Kitts Branch) or 469-0705 (Nevis Branch) Visit or website skncustoms.com

Email: officecomptroller@skncustoms.kn



HS 2022 is here!

Now available on our websites :

- Paper version on WCO's Bookshop
- Online on WCO Trade Tools



www.wcoomdpublications.org



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