



HARMONIZED SYSTEM
COMMITTEE

-
27th Session
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NC0425E1

O. Eng.

Brussels, April 2001.

UN/SPSC COMMODITY CLASSIFICATION SYSTEM

(Item III.4 on Agenda)

Reference documents :

NC0328E1 (HSC/26)
NC0340E2, Annex C/5 (HSC/26 – Report)
NC0359E1 (HSC/27)

I. BACKGROUND

1. On 24 April 2001, the Secretariat received comments from the ICC (International Chamber of Commerce) with regard to the above-mentioned subject.

II. COMMENTS FROM THE ICC

2. "This new open coding system classifies more than 8,000 products and services and is designed to facilitate e-commerce, improve supply chain management and help business communicate worldwide.
3. Discussions with our National Committees or individual companies has resulted in the following comments :
 - A. Yes, it is confusing. I can see it easily being confused by someone not knowledgeable of either system being asked to provide the HS number and seeing the terminology classification number and assuming it was the same. We have not been able to determine the depth of UN/SPSC at our company.
 - B. We are currently not using the UN/SPSC Commodity Classification System for any of our business dealings to the best of my knowledge. I have responsibility for classification of products for the transportation aspects of our company and I know for a fact that no one has inquired of me in this regard. I did review the web site and found the breakout of commodities to be much more relevant to today's business dealings than the Harmonized Tariff Schedule. If the new system were to replace the HTS

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system I would be open to using the new system, but I certainly don't want to add another system over and above the HTS system. It is already bad enough using the HTS system for importing/exporting, using the ECCN and ITAR classifications for export compliance, and using the NMFC for domestic transportation classification, I certainly don't want to add another system of classification that has to be maintained.

- C. The UN/SPSC code is used by businesses for purposes that have nothing to do with customs commodity classification. There is no reason to migrate the two codes into a common system, and there is no inherent confusion in having separate coding systems each of which is adapted to a different purpose. Consequently, I see no reason for the WCO to intervene with the UN either to quash the UN/SPSC or to seek convergence with the HTS."

III. CONCLUSION

- 4. The Committee is invited to take into account the above-mentioned comments from the ICC when examining this Agenda Item.
