BDP International presents

imports [101] exports

Export Classification

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Philadelphia, PA
Export Classification

Presented by Torsten (Tom) Helk

Tom is BDP’s Manager Hazardous Materials and Export Compliance, and has been with BDP since 1991.

Tom started his career in logistics in 1974 in Germany and came to the US in 1979, working in ever expanding roles with several Freight Forwarders. He is an active member of the Dangerous Goods Advisory Council in Washington, DC, and is a past Chairman of that organization. As well, Tom is a certified Dangerous Goods Safety Advisor under the European Regulations.
Export Classification

Step 1

Harmonized System
4-digit Heading
2-digit Subheading

1234.56

Harmonized Tariff Schedule
or
Schedule B Number
Export Classification

Harmonized System
4-digit Heading
2-digit Subheading

1234.56

The first 6 digits are Universal
Export Classification

HTSUSA = Harmonized Tariff System US

- Mainly used for Import classification, but can also be used for export classification
- Certain HTSUSA numbers cannot be used for Export classification!
- Changes are made to the HTSUSA 2 x per year (January, June)
Export Classification

Schedule B Numbers

- Applicable only for Export classification (Cannot be used for import classification)
- Sched. B numbers are updated yearly
- Sched. B numbers do not have exclusions
## Export Classification

<table>
<thead>
<tr>
<th>Code</th>
<th>Definition</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>22</td>
<td>2 digit chapter in which a commodity is classified</td>
<td>Chapter 22 = Beverages, Spirits and Vinegar</td>
</tr>
<tr>
<td>2203</td>
<td>4 digit heading within the chapter</td>
<td>“Beer made from malt”</td>
</tr>
<tr>
<td>2203.00</td>
<td>6 digit Harmonized system code or subheading</td>
<td>International Harmonized code for Beer made from malt”</td>
</tr>
<tr>
<td>2203.00.0090</td>
<td>10 digit statistical classification</td>
<td>Commodity Code for Beer in containers, each holding over 4 liters.</td>
</tr>
</tbody>
</table>
## Export Classification

<table>
<thead>
<tr>
<th>Heading / Subheading</th>
<th>Stat Suffix</th>
<th>Article Description</th>
<th>Unit of Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2202.90.90</td>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Non-Alcoholic Beer</td>
<td></td>
<td>Liters</td>
</tr>
<tr>
<td>90</td>
<td>Other</td>
<td></td>
<td>liters</td>
</tr>
<tr>
<td>2203.00.00</td>
<td>Beer made from Malt in containers each holding not over 4 liters</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>In glass containers</td>
<td></td>
<td>liters</td>
</tr>
<tr>
<td>60</td>
<td>Other</td>
<td></td>
<td>liters</td>
</tr>
<tr>
<td>90</td>
<td>In containers each holding over 4 liters</td>
<td></td>
<td>liters</td>
</tr>
</tbody>
</table>
# Export Classification

<table>
<thead>
<tr>
<th>Schedule B number and Headings</th>
<th>Commodity Description</th>
<th>Unit of Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2202.90.9010</td>
<td>- - - - Nonalcoholic beer</td>
<td>lite</td>
</tr>
<tr>
<td>2202.90.9090</td>
<td>- - - - Other</td>
<td>lite</td>
</tr>
<tr>
<td><strong>2203.00.0000</strong></td>
<td>- Beer made from malt</td>
<td>lite</td>
</tr>
<tr>
<td>22.04</td>
<td>- Wine of fresh grapes, including fortified wines; grape must other than that of heading 200</td>
<td></td>
</tr>
<tr>
<td>2204.10.0000</td>
<td>- - Sparkling wine</td>
<td>lite</td>
</tr>
<tr>
<td></td>
<td>- - Other wine; grape must with fermentation prevented or arrested by the addition of alcoho</td>
<td></td>
</tr>
<tr>
<td>2204.21</td>
<td>- - - In containers holding 2 liters (.528 gallon) or less:</td>
<td></td>
</tr>
<tr>
<td>2204.21.2000</td>
<td>- - - Effervescent wine</td>
<td>lite</td>
</tr>
<tr>
<td></td>
<td>- - - Other:</td>
<td></td>
</tr>
</tbody>
</table>
Export Classification

Step 2 - Classifying your goods for Control Purposes

Export Administration Regulations

Export Commodity Control Number

(ECCN)
Export Classification

Step 2 - Classifying your goods for Control Purposes

US Department of State

Defense Technology Security Administration

US Munitions List
Export Classification

Step 2 A - BIS or DTSA

http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&SID=fd0d465c761c979c9eda996a507493f3&rgn=div5&view=text&node=15:2.1.3.4.21&iddo=15,
Export Classification

Is my product listed in the Commodity Control List (CCL)?

The CCL is Part 774 of Title 15, Code of Federal Regulations.

Alphabetical Index

Or

Category Search
## Export Classification

Is my product listed in the Commodity Control List (CCL)?

### Alphabetical Index

<table>
<thead>
<tr>
<th>Description</th>
<th>ECCN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citation Ball bearings, Radial</td>
<td>2A101</td>
</tr>
<tr>
<td>Ball &amp; solid roller bearings</td>
<td>2A001.a</td>
</tr>
<tr>
<td>Band-pass filters, tunable</td>
<td>3A001.b.5</td>
</tr>
<tr>
<td>Barium metal vapor lasers</td>
<td>6A005.b</td>
</tr>
<tr>
<td>Bartonella quintana</td>
<td>1C351.b.1</td>
</tr>
<tr>
<td>Batch mixers</td>
<td>1B117</td>
</tr>
<tr>
<td>Bathymetric survey systems</td>
<td>6A001.a.1.b</td>
</tr>
<tr>
<td>Batons, shock</td>
<td>0A985</td>
</tr>
<tr>
<td>Batons, spiked</td>
<td>0A983</td>
</tr>
<tr>
<td>Bay cable systems</td>
<td>6A001.a.2.e</td>
</tr>
<tr>
<td>Bay cable systems software</td>
<td>6D003.a.3</td>
</tr>
<tr>
<td>Bayonets</td>
<td>0A918.b</td>
</tr>
</tbody>
</table>
Export Classification

The CCL lists is broken down into the following categories:

Category Search

- **Category 0:** Nuclear Materials, Facilities, and Equipment (and Misc. Items).
- **Category 1:** Materials, Chemicals, Microorganisms and Toxins
- **Category 2:** Materials Processing
- **Category 3:** Electronics
- **Category 4:** Computers
Export Classification

The CCL lists is broken down into the following categories:

Category Search

- Category 5: Telecommunications and “Information Security”
- Category 6: Sensors and Lasers
- Category 7: Navigation and Avionics
- Category 8: Marine
Let’s look at an example: Hydroxyl Terminated Polybutadiene Resin (1C111)

The first digit in the ECCN indicates the Category that this product/item falls under. In this example, the material is a Chemical, so this falls into Category 1, (Materials, Chemicals, Microorganisms, and Toxins).

The second digit identifies the Group in which the product falls. There are five groups in each category:
Export Classification

Let’s look at an example: Hydroxyl Terminated Polybutadiene Resin (1C111)

- **A**: Equipment, Assemblies and Components
- **B**: Test, Inspections and Production Equipment
- **C**: Materials
- **D**: Software
- **E**: Technology
Export Classification

Let’s look at an example: Hydroxyl Terminated Polybutadiene Resin (1C111)

The third digit identifies the reason for control:

- **0**: National Security reasons
- **1**: Missile Technology reasons
- **2**: Nuclear Proliferation reasons
- **3**: Chemical & Biological Weapons reasons
- **6**: Items previously controlled under the USML
- **9**: Anti-terrorism, Crime Control, Regional Stability, Short Supply, UN Sanctions, etc.
Export Classification

Let’s look at an example: Hydroxyl Terminated Polybutadiene Resin (1C111)

The fourth digit identifies whether the control is Multilateral or Unilateral

Example number 5 identifies Multilateral controls based on the Chemical Weapons Convention
Export Classification

Let’s look at an example: Hydroxyl Terminated Polybutadiene Resin

The last digit is used for the sequential numbering of ECCN’s to differentiate between entries on the CCL.

Lastly, you have a series of letters and numbers, which identifies the specific product/item on the CCL. So the correct ECCN for Hydroxyl Terminated Polybutadiene Resin would be 1C111 b.2.
Export Classification

Another Example:

A floor cleaning solution, a mixture of Hydrofluoric Acid (33 %,), Hydrochloric Acid (6%) and Water (61%)

Is this controlled???
Export Classification

Another Example:

A floor cleaning solution, a mixture of Hydrofluoric Acid (33 %), Hydrochloric Acid (6%) and Water (61%)

Is this controlled???

YES, it is. ECCN 1C350 d.7. Hydrogen Fluoride

If this material is present in a Mixture or solution by 30% by weight or more it is controlled under ECCN 1C350. If the material is present by less than 30% by weight it is controlled under 1C995
Export Classification

If you can not find a ECCN number for your product, then it can be classified as EAR99, unless…
Export Classification

The US Munitions List is divided into 21 categories:

Category I  Firearms, Close Assault Weapons and Combat Shotguns
Category II  Guns and Armaments
Category III  Ammunition/Ordnance
Category IV  Launch Vehicles, Guided Missiles, Ballistic Missiles, Rockets, Torpedoes, Bombs and Mines
Category V  Explosives and Energetic Materials, Propellants, Incendiary Agents and their Constituents
Export Classification

The US Munitions List is divided into 21 categories:

Category VI  Vessels of War and Special Naval Equipment
Category VII  Tanks and Military Vehicles
Category VIII Aircraft and Associated Equipment
Category IX  Military Training Equipment
Category X  Protective Personnel Equipment
Category XI  Military Electronics
Export Classification

The US Munitions List is divided into 21 categories:

Category XII  Fire Control, Range Finder, Optical and Guidance and Control Equipment

Category XIII  Auxiliary Military Equipment

Category XIV  Toxicological Agents, including Chemical Agents, Biological Agents and Associated Equipment

Category XV  Spacecraft Systems and Associated Equipment

Category XVI  Nuclear Weapons, Design and Testing Related Equipment
Export Classification

The US Munitions List is divided into 21 categories:

Category XVII  Classified Articles, Technical Data and Defense Services
not otherwise enumerated

Category XVIII  Directed Energy Weapons

Category XIX  Reserved

Category XX  Submersible Vessels, Oceanographic and Associated Equipment

Category XXI  Miscellaneous Articles
Export Classification

The US Munitions List:

**CATEGORY VII—TANKS AND MILITARY VEHICLES**

* (a) Military type armed or armored vehicles, military railway trains, and vehicles specifically designed or modified to accommodate mountings for arms or other specialized military equipment or fitted with such items.

* (b) Military tanks, combat engineer vehicles, bridge launching vehicles, half-tracks and gun carriers.

(c) Military trucks, trailers, hoists, and skids specifically designed, modified, or equipped to mount or carry weapons of Categories I, II and IV of this section or for carrying and handling the articles in paragraph (a) of Categories III and IV of this section.

* (d) Military recovery vehicles.

* (e) Amphibious vehicles.

* (f) Engines specifically designed or modified for the vehicles in paragraphs (a), (b), and (e) of this category.
Export Classification

The US Munitions List:

**CATEGORY XXI—MISCELLANEOUS ARTICLES**

(a) Any article not specifically enumerated in the other categories of the U.S. Munitions List which has substantial military applicability and which has been specifically designed, developed, configured, adapted, or modified for military purposes. The decision on whether any article may be included in this category shall be made by the Director, Office of Defense Trade Controls Policy.

(b) Technical data (as defined in § 120.10 of this subchapter) and defense services (as defined in § 120.9 of this subchapter) directly related to the defense articles enumerated in paragraph (a) of this category.
Export Classification

So why classify the products?

HTS or Schedule B = Proper Reporting to Census

ECCN or USML = Export License Requirements

An Export License is required, if the product is listed in the Commodity Control List (CCL) in Part 774 of Title 15, Code of Federal Regulations, or in the USML, Part 121 of Title 22 Code of Federal Regulations and a License Exceptions is not available.
Export Classification

Questions
Contact information

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Next session topic will be

Red Flags - December 17, 2015